Eris Lifesciences Limited

A public limited company incorporated on 25 January 2007 at Ahmedabad under the Companies Act, 1956 with corporate identity number L24232GJ2007PLC049867 and PAN AABCE7067M having its registered office and corporate office at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054

Tel. No.: 07969661000;

Fax No.: 07969661155;

Website: https://eris.co.in/;

Email Address: complianceofficer@erislifesciences.com;

Registration/ Identification number issued by any regulatory authority which regulates the Company: L24232GJ2007PLC049867

ISSUE OF LISTED, RATED, SECURED/UNSECURED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 EACH (THE "DEBENTURES") AND/OR LISTED COMMERCIAL PAPERS OF FACE VALUE OF INR 5,00,000 EACH (THE "COMMERCIAL PAPERS"), OR SUCH OTHER FACE VALUE AS PERMITTED UNDER APPLICABLE LAW, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE"), BY ERIS LIFESCIENCES LIMITED (THE "COMPANY/ISSUER").
THE ISSUE SIZE OF THE COMMERCIAL PAPERS AND DEBENTURES PROPOSED TO BE ISSUED SHALL BE MENTIONED IN THE RELEVANT KEY INFORMATION DOCUMENT (AS DEFINED HEREAFTER)

Addendum to the General Information Document dated 29 May 2024 ("Addendum")

BACKGROUND

The Issuer has issued a General Information Document dated 29 May 2024 (the "**General Information Document**") in relation to the issue of Debt Securities (as defined in the General Information Document) to be issued on a private placement basis by the Issuer, and the General Information Document contains relevant information and disclosures required for the purpose of issuing of the Debt Securities.

This Addendum forms a part of the General Information Document. The contents of this Addendum should be read together with the General Information Document.

Except for the information set out in this Addendum, all other information contained in the General Information Document shall apply to this corrigendum.

GENERAL DISCLAIMER

THIS ADDENDUM, READ WITH THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBT SECURITIES TO BE ISSUED BY THE COMPANY UNDER THE COMPANIES ACT, 2013 OR ANY OTHER PREVAILING RULES AND REGULATIONS. THIS IS ONLY AN INFORMATION BROCHURE INTENDED FOR PRIVATE USE. THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN PREPARED IN CONFORMITY WITH THE SEBI DEBT REGULATIONS, THE COMPANIES ACT, 2013, THE CP GUIDELINES (TO THE EXTENT APPLICABLE) AND FORM PAS-4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME. THE ISSUE OF DEBT SECURITIES TO BE LISTED ON BSE IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. THIS ADDENDUM AND THE GENERAL INFORMATION DOCUMENT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 199 (ONE HUNDRED AND NINETY NINE) PERSONS IN RELATION TO EACH ISSUANCE UNDER THE GENERAL INFORMATION DOCUMENT. MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. THIS ADDENDUM AND THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBT SECURITIES TO THE PUBLIC IN GENERAL. IT IS THE RESPONSIBILITY OF INVESTORS TO ENSURE THAT THEY WILL SELL THESE DEBT SECURITIES IN STRICT ACCORDANCE WITH THE GENERAL INFORMATION DOCUMENT READ TOGETHER WITH THIS ADDENDUM AND THE RELEVANT KEY INFORMATION DOCUMENT, TRANSACTION DOCUMENTS AND OTHER APPLICABLE LAWS SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT. APART FROM THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE COMPANY NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS (OTHER THAN, IN CASE OF ISSUANCE OF COMMERCIAL PAPERS, CP LETTER OF OFFER). THE POTENTIAL INVESTORS SHALL AT ALL TIMES BE RESPONSIBLE FOR ENSURING THAT IT SHALL NOT DO ANY ACT DEED OR THING WHICH WOULD RESULT THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT BEING RELEASED TO ANY THIRD PARTY (WHERE SUCH PARTY IS NOT AN INTENDED RECIPIENTS FROM THE COMPANY) AND IN TURN CONSTITUTES AN OFFER TO THE PUBLIC HOWSOEVER.

THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND THE CONTENTS HEREOF ARE RESTRICTED ONLY FOR THE INTENDED RECIPIENT(S) WHO HAVE BEEN ADDRESSED DIRECTLY AND SPECIFICALLY THROUGH A COMMUNICATION BY THE COMPANY OR THE ARRANGERS AND ONLY SUCH RECIPIENTS ARE ELIGIBLE TO APPLY FOR THE DEBT SECURITIES. ALL INVESTORS ARE REQUIRED TO COMPLY WITH THE RELEVANT REGULATIONS/GUIDELINES APPLICABLE TO THEM FOR INVESTING IN THIS ISSUE. THE CONTENTS OF THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM IT IS ISSUED. IT IS NOT

INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT. THE POTENTIAL INVESTORS SHALL BE REQUIRED TO INDEPENDENTLY PROCURE ALL THE LICENSES AND APPROVALS, IF APPLICABLE, PRIOR TO SUBSCRIBING TO THE DEBT SECURITIES AND THE COMPANY SHALL NOT BE RESPONSIBLE FOR THE SAME.

NO INVITATION IS BEING MADE TO ANY PERSONS OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE NOT BEEN SENT BY OR ON BEHALF OF THE COMPANY SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING THE CONTENTS HEREOF WITHOUT THE CONSENT OF THE COMPANY. THE RECIPIENT AGREES TO KEEP CONFIDENTIAL ALL INFORMATION PROVIDED (OR MADE AVAILABLE HEREAFTER), INCLUDING, WITHOUT LIMITATION, THE EXISTENCE AND TERMS OF THE ISSUE, ANY SPECIFIC PRICING INFORMATION RELATED TO THE ISSUE OR THE AMOUNT OR TERMS OF ANY FEES PAYABLE TO THE ARRANGERS OR OTHER PARTIES IN CONNECTION WITH THE ISSUE. THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT MAY NOT BE PHOTOCOPIED, REPRODUCED, OR DISTRIBUTED TO OTHERS AT ANY TIME WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY. UPON REQUEST, THE RECIPIENTS WILL PROMPTLY RETURN ALL MATERIAL RECEIVED FROM THE COMPANY OR THE ARRANGERS AND/OR ANY OF THEIR AFFILIATES (INCLUDING THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT) WITHOUT RETAINING ANY COPIES HEREOF. IF ANY RECIPIENT OF THIS ADDENDUM, THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DECIDES NOT TO PARTICIPATE IN THE ISSUE, THAT RECIPIENT MUST PROMPTLY RETURN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND ALL REPRODUCTIONS WHETHER IN WHOLE OR IN PART AND ANY OTHER INFORMATION STATEMENT, NOTICE, OPINION, MEMORANDUM, EXPRESSION OR FORECAST MADE OR SUPPLIED AT ANY TIME IN RELATION THERETO OR RECEIVED IN CONNECTION WITH THE ISSUE, TO THE COMPANY.

IN THE EVENT OF CONFLICT BETWEEN THE PROVISIONS OF THE GENERAL INFORMATION DOCUMENT READ TOGETHER WITH THE ADDENDUM AND THE KEY INFORMATION DOCUMENT, THE TERMS OF THE KEY INFORMATION DOCUMENT SHALL PREVAIL AND IN CASE OF ANY INCONSISTENCY OR CONFLICT BETWEEN THE KEY INFORMATION DOCUMENT AND THE RESPECTIVE DEBENTURE TRUST DEED, THE PROVISIONS OF THE RESPECTIVE DEBENTURE TRUST DEED SHALL PREVAIL AND OVERRIDE THE PROVISIONS OF THE KEY INFORMATION DOCUMENT.

DEFINITIONS

All capitalised terms used in this addendum shall, unless the context otherwise requires, have the meanings ascribed to them in the general information document.

AMENDMENTS TO THE GENERAL INFORMATION DOCUMENT

Please note the following amendments to the General Information Document:

1. The following disclosure in Section III (*General Information*) and Section VI (*Financial Position of the Company*) of the General Information Document is revised as follows:

(Rs. In Million)

Standalone Basis	**As at**	**As at**	**As at**
Balance Sheet	**March 31, 2024 (Audited Results)**	**March 31, 2023 (Audited)**	**March 31, 2022 (Audited)**
Property, Plant and Equipment (including Capital Work in Progress, Right of use assets and Investment Property)	1,482.49	1,523.99	1,460.14
Intangible Assets including Goodwill (including Intangible Assets under Development)	13,679.17	7,457.57	4,989.71
Financial Assets (Current and Non-Current)	32,113.93	13,986.86	10,881.11
Other Non-Current assets	3,301.34	2,855.36	2,400.41
Current assets	2,918.75	2,012.80	1,772.79
Total Assets	**53,495.68**	**27,836.58**	**21,504.16**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	25,294.49	3,168.71	-
- Other Financial Liabilities	1,933.52	1,327.31	1,409.28
Non-Current Liabilities	13.84	18.21	22.82
Current Liabilities	188.04	208.61	220.30
Provisions	825.57	894.90	666.20
Total Liabilities	**28,255.46**	**5,617.74**	**2,318.60**
Equity (Equity Share Capital and Other Equity) (Including NCI)	25,240.22	22,218.84	19,185.56
Total Equity and Liabilities	**53,495.68**	**27,836.58**	**21,504.16**
Profit and Loss			
Total revenue from operations	14,867.06	13,307.25	12,157.30
Other Income	348.28	172.64	289.89
Total Income	**15,215.34**	**13,479.89**	**12,447.19**
Total Expenses	**12,218.22**	**9,499.81**	**8,275.27**
Profit/ loss for the period (After tax)	2,997.12	3,980.08	4,171.92
Other Comprehensive income	-27.58	-1.49	-10.05
Total Comprehensive Income	2,969.54	3,978.59	4,161.87

Earnings per equity share:			
(a) basic; and	22.04	29.27	30.70
(b) diluted	22.01	29.23	30.70
Cash Flow			
Net cash (used in)/generated from operating activities (A)	3,362.90	3,223.28	3,694.12
Net cash (used in)/ generated from investing activities (B)	-24,918.92	-5,132.96	-2,676.36
Net cash (used in)/ generated from financing activities (C)	21,600.55	1,937.46	-884.20
Net Increase/ (decrease) in Cash and Cash Equivalents	**44.53**	**27.78**	**133.56**
Opening Balance of Cash and Cash Equivalents	474.82	447.04	313.48
Cash and cash equivalents at end of the period	**519.35**	**474.82**	**447.04**

(Rs. In Million)

Consolidated Basis	**As at**	**As at**	**As at**
Balance Sheet	**March 31, 2024 (Audited Results)**	**March 31, 2023 (Audited)**	**March 31, 2022 (Audited)**
Property, Plant and Equipment (including Capital Work in Progress, Right of use assets and Investment Property)	5,236.53	3,773.79	1,918.57
Intangible Assets including Goodwill (including Intangible Assets under Development)	38,235.38	22,124.45	7,530.72
Financial Assets (Current and Non-Current)	18,563.50	4,012.48	8,314.94
Other Non-Current assets	3,736.59	2,974.72	2,717.20
Current assets	4,716.37	3,787.84	2,239.96
Total Assets	**70,488.37**	**36,673.28**	**22,721.39**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	27,352.67	8,300.16	450.11
- Other Financial Liabilities	3,440.13	2,084.97	1,727.88
Non-Current Liabilities	5,442.02	2,689.60	483.76
Current Liabilities	885.52	256.22	265.90
Provisions	1,147.72	1,135.56	711.71
Total Liabilities	**38,268.06**	**14,466.51**	**3,639.36**
Equity (Equity Share Capital and Other Equity) (Including NCI)	32,220.31	22,206.77	19,082.03
Total Equity and Liabilities	**70,488.37**	**36,673.28**	**22,721.39**
Profit and Loss			
Total revenue from operations	20,091.43	16,851.49	13,470.43
Other Income	238.15	111.53	260.94
Total Income	**20,329.58**	**16,963.02**	**13,731.37**
Total Expenses	**16,359.04**	**13,221.42**	**9,673.48**

Profit/ loss for the period (After tax)	3,970.54	3,741.60	4,057.89
Other Comprehensive income	-30.51	0.59	-9.82
Total Comprehensive Income	**3,940.03**	**3,742.19**	**4,048.07**
Earnings per equity share:			
(a) basic; and	28.82	28.10	29.89
(b) diluted	28.79	28.07	29.88
Cash Flow			
Net cash (used in)/generated from operating activities (A)	4,860.06	2,917.38	3,782.64
Net cash (used in)/ generated from investing activities (B)	-18,545.23	-9,821.01	-3,196.10
Net cash (used in)/ generated from financing activities (C)	13,797.79	6,880.25	-446.99
Net Increase/ (decrease) in Cash and Cash Equivalents	**112.62**	**-23.38**	**139.55**
Opening Balance of Cash and Cash Equivalents	560.22	508.70	369.15
Cash and cash equivalents acquired pursuant to business acquisition	269.61	74.90	
Cash and cash equivalents at end of the period	**942.45**	**560.22**	**508.70**

(Rs. In Million except Ratios)

Additional information (on Consolidated Basis)	**FY 24 (Audited Results)**	**FY 23 (Audited)**	**FY 22 (Audited)**
Net worth	32,220.31	22,206.77	19,082.03
Cash and Cash Equivalents	942.45	560.22	508.70
Current Investments	0.02	300.07	995.48
Net Sales	19,912.95	16,618.16	13,261.68
Earnings before interest, taxes, depreciation, and amortization	6,748.30	5,367.46	4,849.55
Earnings before interest and taxes	4,922.25	4,196.58	4,202.50
Dividend amounts	-	999.40	816.48
Debt equity ratio	0.86	0.39	0.04
Debt service coverage ratio	3.56	13.92	108.19
Interest service coverage ratio	6.09	16.46	107.66
Current ratio	0.91	1.73	3.14
Long term debt to working capital	1.62	1.81	0.20
Current liability ratio - current liabilities/non-current liabilities	1.96	0.44	1.22

Total debts to total assets	0.39	0.24	0.04

2. The Company has received the consent from the auditors. Accordingly, the following disclosure in relation to the auditors will be added on the front page of the General Information Document.

   Statutory Auditor of the Company
   Deloitte Haskins & Sells LLP

   Address: 19th Floor, Shapath – V, S.G. Highway, Ahmedabad -380 015, Gujarat, India

   Tel: +91 79 6682 7300

   Fax: +91 79 6682 7400

   Email: hasutaria@deloitte.com

   Firm Registration number – 117366W/W -100018

Declaration

(a) The Company is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;

(b) Nothing in this Addendum is contrary to the provisions of Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;

(c) The compliance with the Securities and Exchange Board of India Act, 1992 and the Companies Act and the rules and regulations does not imply that payment of dividend or interest or repayment of Debt Securities, if applicable, is guaranteed by the Central Government;

(d) The monies received under the offer shall be used only for the purposes and objects indicated in the General Information Document and the relevant Key Information Document;

(e) Whatever is stated in this Addendum read together with the General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and the Articles;

(f) The permanent account number, Aadhaar Number, driving license number, bank account number(s) and passport number of the promoters of the Company and permanent account number of the directors of the Company have been submitted to the BSE; and

(g) The Issuer has no side letter with any debt securities holder except the ones disclosed in this General Information Document. Any covenants later added shall be disclosed on the stock exchange website where the Debentures are listed.

I am authorised by the board of Directors of the Company by resolution dated May 21, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. The General Information Document contains full disclosures in accordance with the SEBI Debt Regulations, as amended from time to time. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

A copy of the board resolution dated May 21, 2024 and resolution approved by the executive committee of the Board dated May 22, 2024, authorizing the issuance of the Debentures is attached as Annexure 3 of the General Information Document (*Board Resolution*).

A copy of the shareholders resolution dated February 3, 2017 under Section 180(1)(c) of the Companies Act, 2013, is attached as Annexure 4 of the General Information Document (*Shareholders Resolution under Section 180(1)(c) of the Companies Act, 2013*).

For Eris Lifesciences Limited

KAUSHAL
KAMLESH SHAH

Digitally signed by KAUSHAL KAMLESH SHAH
DN: c=IN, postalCode=380059, st=GUJARAT, street=6 VENETIAN VILLAAHMEDABADTHALTEJ SHILAJ ROADOPP ANAND NIKETAN SCHOOL 380059, l=AHMEDABAD, o=Personal, title=0450, serialNumber=3e679d2ae17c6f102130c34ba1e61cba67d1c6092b77ef9d67876bc4fafb43d, pseudonym=0450202221115155826767, 2.5.4.20=e983c1e44f71791b851868c1bb4bd6dc50131f60adda698a40fe29ed1e617f8ee1, email=KAUSHAL.SHAH@ERISLIFESCIENCES.COM, cn=KAUSHAL KAMLESH SHAH
Date: 2024.06.03 11:41:32 +05'30'

Kaushal Kamlesh Shah
Director
DIN : 01229038

Place: Ahmedabad
Date: June 3, 2024

Eris Lifesciences Limited

A public limited company incorporated on 25 January 2007 at Ahmedabad under the Companies Act, 1956 with corporate identity number L24232GJ2007PLC049867 and PAN AABCE7067M having its registered office and corporate office at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054

Tel. No.: 07969661000;

Fax No.: 07969661155;

Website: https://eris.co.in/;

Email Address: complianceofficer@erislifesciences.com;

Debenture Trustee (applicable to the Debentures)	**Rating Agency**
Axis Trustee Services Limited Address: Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai, Maharashtra-400025 Contact Person: Mr. Dhruba Bora Email Address: debenturetrstee@axistrustee.in Tel. No.: 022 62300451	India Ratings and Research Private Limited Addess: 510 - Sun Square,St. Xaviers College Road, Off C. G. Road,Near Nest/Klassic Gold Hotel, Navarangpura, Ahmedabad, Gujarat, 380009, India Contact Person: Mr. Nishith Sanghvi Email Address : nishith.sanghvi@indiaratings.co.in Tel. No.: +91 79 4911 0700
Registrar to the Issue	**Statutory Auditor of the Company**
Link Intime India Private Limited	Deloitte Haskins & Sells LLP *Note: Company has applied for the consent of the statutory auditor, and details of the statutory auditor will be updated as in when received.*

Address: 1, ABC-1, 506 TO 508, Amarnath Business Centre, Corner, beside Gala Business Centre, nr. St. Xavier's College Parking, Sardar Patel Nagar, Ellisbridge, Ahmedabad, Gujarat 380006 Tel. No.: 022- 48186000 Fax No.: 022- 48186060 Website: https://linkintime.co.in/ Email Address: ahmedabad@linkintime.co.in Contact Person: Mr. Ganesh Jadhav	

Registration/ Identification number issued by any regulatory authority which regulates the Company: L24232GJ2007PLC049867

ISSUE OF LISTED, RATED, SECURED/UNSECURED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 EACH (THE "DEBENTURES") AND/OR LISTED COMMERCIAL PAPERS OF FACE VALUE OF INR 5,00,000 EACH (THE "COMMERCIAL PAPERS"), OR SUCH OTHER FACE VALUE AS PERMITTED UNDER APPLICABLE LAW, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE"), BY ERIS LIFESCIENCES LIMITED (THE "COMPANY/ISSUER").
THE ISSUE SIZE OF THE COMMERCIAL PAPERS AND DEBENTURES PROPOSED TO BE ISSUED SHALL BE MENTIONED IN THE RELEVANT KEY INFORMATION DOCUMENT (AS DEFINED HEREAFTER)

General Information Document ("GID-2024-25/001") dated 29 May 2024

Eris Lifesciences Limited (the "**Issuer**" or "**Company**") proposes to issue listed, rated, secured/unsecured, redeemable, transferable, rupee denominated non-convertible debentures of face value of INR 1,00,000 each, for an amount (as mentioned) in the Key Information Document ("**KID**")] (the "**Debentures**") and/or commercial papers (as defined in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021) of face value of INR 500,000 each (the "**Commercial Papers**"), or such other face value as permitted under applicable law, under this General Information Document, on a private placement basis, to be listed on the wholesale debt market ("WDM") segment of the BSE Limited ("**Stock Exchange**" or "**BSE**") (the "**Issue**"). The Commercial Papers and the Debentures, are together referred to as the "**Debt Securities**". The issue size/ green shoe option in relation to each Issue of Debentures and Commercial Papers will be identified in the relevant Key Information Document. The Issuer has obtained an 'in-principle' approval from the Stock Exchange for listing of the Debentures vide letter dated 29 May 2024, which is set out as Annexure 2 (*In-Principle Listing Approval*). This disclosure document dated 29 May 2024 (the "**General Information Document**") containing disclosures in accordance with Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the SEBI Master Circular for the Issue and Listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024

("**Master Circular**"), each as amended, is in relation to the issue of the Debt Securities, on a private placement basis by Eris Lifesciences Limited.

BACKGROUND

This General Information Document is related to the Debt Securities to be issued on a private placement basis by the Issuer and contains relevant information and disclosures required for the purpose of issuing of the Debt Securities.

The Issue has been authorised by the Company through a resolution passed by the Board of Directors of the Company on May 21, 2024, and through a resolution passed by the shareholders of the Company on February 03, 2017. Please note that this General Information Document is valid for a period of 1 year from the Issue Opening Date of the first issue of Debt Securities issued pursuant to this General Information Document. It is hereby clarified that Section 26 of the Companies Act, 2013 is not applicable to the Issue, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act, 2013 under this General Information Document. Given that the Debt Securities proposed to be issued by way of this General Information Document and the relevant Key Information Document shall be on a private placement basis, there shall be no requirement of filing the General Information Document and the relevant Key Information Document with the ROC pursuant to Section 26(4) of the Companies Act.

This General Information Document does not include a statement purporting to be made by an expert unless the expert is a person who is not, and has not been, engaged or interested in the formation or promotion or management, of the company and has given his written consent to the issue of the General Information Document and has not withdrawn such consent before the delivery of a copy of the issue document to the Registrar (as applicable) for registration.

Key officers of the Company

Designation	Name	Telephone No.	Email Address
Company Secretary & Compliance Officer	Milind Talegaonkar	07969661000	complianceofficer@erislifesciences.com
Chief Financial Officer	Sachin Shah	07969661000	sachin@erislifesciences.com

Promoters of the Company

Name	Telephone No.	Email Address
Mr. Amit Indubhushan Bakshi	07969661000	complianceofficer@erislifesciences.com
Mr. Inderjeet Singh Negi	07969661000	complianceofficer@erislifesciences.com
Mr. Rajendrakumar Rambhai Patel	07969661000	complianceofficer@erislifesciences.com
Mr. Kaushal Kamlesh Shah	07969661000	complianceofficer@erislifesciences.com

Issue Details
Interest Rate Parameter: As provided under the relevant Key Information Document**;**
Coupon rate: As provided under the relevant Key Information Document;
Coupon payment frequency: As provided under the relevant Key Information Document;
Redemption date: As provided under the relevant Key Information Document;

Redemption amount: As provided under the relevant Key Information Document.

Issue Schedule

Date of opening of the issue: The Issue Opening Date will be identified in the relevant Key Information Document.	Date of closing of the issue: The Issue Closing Date will be identified in the relevant Key Information Document.
Date of earliest closing of the issue, if any: The date of earliest closing of the issue will be identified in the relevant Key Information Document.	
Pay In Date: The Pay in will be identified under the relevant Key Information Document	Deemed Date of Allotment: The Deemed Date of Allotment will be identified under the relevant Key Information Document

The Company reserves the right to change the issue schedule including the relevant Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

Details of credit rating of the Debt Securities, along with the latest press release of the Rating Agency: As per the relevant Key Information Document.

All the ratings obtained by the Company for the Debt Securities: As per the relevant Key Information Document.

Name(s) of the stock exchange where the securities are proposed to be listed: BSE Limited Please refer to Annexure 2 (*In-Principle Listing Approval*) of this General Information Document for a copy of the in-principle approval letter dated 29 May 2024 issued by BSE Limited in relation to the listing of the Debentures. Details of listing of Commercial Paper proposed to be issued shall be as mentioned in the Key Information Document.

Eligible investors: This General Information Document and the contents hereof are restricted to only those recipients who are permitted to receive it as per extant regulation and laws and only such recipients are eligible to apply for the Debt Securities. The categories of investors eligible to subscribe to the Debt Securities issued under each Issue will be identified in the relevant Key Information Document to be issued with respect to relevant Issue of Debt Securities.

Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters: As provided under the relevant Key Information Document.

Details pertaining to the uploading of General Information Document on the electronic book provider platform, if applicable:

The Issuer shall comply with the provisions of the Master Circular with respect to electronic book mechanism and requirements pertaining to the uploading this General Information Document and the relevant Key Information Document in accordance with the Master Circular.

This issuance of the Debt Securities, to the extent applicable, would be under the electronic book mechanism ("**EBP**") on private placement basis as per Chapter VI of Master Circular read with the "Operational Guidelines for participation on BSEBOND platform (EBP platform of BSE) issued by BSE on December 28, 2017 and updated on April 17, 2023 ("**BSE EBP Guidelines**"), and relevant details will be provided in the Key Information Document. This General Information Document is in accordance

with all applicable laws, rules, regulations, and guidelines.

Interest rate parameter – Zero Coupon, fixed coupon or floating coupon	As provided under the relevant Key Information Document.
Bid opening date and bid closing date	As provided under the relevant Key Information Document.
Minimum bid lot	As provided under the relevant Key Information Document.
Manner of bidding in the Issue i.e. open bidding or closed bidding	As provided under the relevant Key Information Document.
Manner of allotment in the Issue i.e. uniform yield allotment or multiple yield allotment	As provided under the relevant Key Information Document.
Manner of settlement in the Issue i.e. through clearing corporation or through escrow bank account of the Issuer	As provided under the relevant Key Information Document.
Settlement cycle i.e. T+1 or T+2 day	As provided under the relevant Key Information Document.

SECTION I – DEFINITIONS AND ABBREVIATIONS

General terms

Term	Description
Application Form	The form used by the recipient of the relevant Key Information Document, to apply for subscription to the Debentures, which is annexed to such Key Information Document.
Arrangers	As defined in the relevant Key Information Document.
Articles of Association	The articles of association of the Company.
Beneficial Owner(s)	Debenture Holder(s) holding Debenture(s) in dematerialized form (Beneficial Owner of the Debenture(s) as defined in clause (a) of subsection of (1) of Section 2 of the Depositories Act, 1996).
Board	Board of Directors of the Company or a committee thereof.
Business Day	(a) in relation to announcement of bid or issue period, a day, other than Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (b) in relation to time period between the Issue closing date and the listing of the Debentures on the Exchange, a day on which the Exchange is open for trading, other than Saturdays, Sundays and bank holidays, as specified by SEBI; and (c) in all other cases, a day on which commercial banks in Mumbai are open for business. OR As mentioned in the relevant Key Information Document.
BSE	BSE Limited
BSE-EBP	BSE electronic bidding platform for issuance of debt securities on private placement basis.
CDSL	Central Depository Services (India) Limited
Change of Control	As defined in the relevant Key Information Document.
Companies Act	Companies Act, 1956 and/or Companies Act, 2013, as applicable.
Company	Eris Lifesciences Limited
Coupon Rate	As defined in the relevant Key Information Document.
Coupon Period	As defined in the relevant Key Information Document.
Coupon Payment Date	As defined in the relevant Key Information Document.
CP Guidelines	The operational guidelines and the market practice conventions issued by the Fixed Income Money Market and Derivatives Association of India, as may be amended or updated from time to time read together with RBI Master Direction - Reserve Bank of

Term	Description
	India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024.
CP Letter of Offer	The letter of offer to be issued by the Company in relation to any issue of commercial papers by it pursuant to this General Information Document, the relevant Key Information Document and the operational guidelines and the market practice conventions issued by the Fixed Income Money Market and Derivatives Association of India, as may be amended or updated from time to time.
Debenture(s)	INR denominated, listed, rated, secured/unsecured, redeemable, transferable, non-convertible debentures with nominal value of INR 100,000 each, or such other face value as permitted under applicable law, for the amount mentioned in the relevant Key Information Document, issued on a private placement basis.
Debenture Holder(s)	The holder(s) of the Debenture(s) in dematerialized form.
Debenture Trustee	As defined under the relevant Key Information Document.
Debenture Trust Deed	As defined in the relevant Key Information Document.
Deemed Date of Allotment	As provided under the relevant Key Information Document.
Default Interest	As defined in the relevant Key Information Document.
Default Interest Rate	As defined in the relevant Key Information Document.
Depositories	NSDL and/or CDSL, as the case may be.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of Company unless otherwise mentioned.
DP ID	Depository Participant identification number that is allocated to the Depository Participant by the Depository.
Eligible Investors	As provided under the relevant Key Information Document.
Event of Default	As defined in the relevant Debenture Trust Deed.
Face Value/ Nominal Value	INR 100,000 being the nominal value of each Debenture, or such other face value as permitted under applicable law.
Fee Letter	As defined under the relevant Key Information Document.
Final Redemption Date	As provided under the relevant Key Information Document.
General Information Document	This disclosure document dated 29 May 2024 in relation to the issue of the Debt Securities.
INR/Rs.	The lawful currency of the Republic of India.
Issue	Each issue of Debt Securities by the Company in accordance with the Terms and Conditions.

Term	Description
Key Information Document	the relevant key information document issued by the Issuer for each Issue of Debt Securities under this General Information Document, in accordance with the SEBI Debt Regulations.
Master Circular	Master Circular for issue and listing of Non-convertible Securities, Securities Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Papers' bearing no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54, dated May 22, 2024, as amended from time to time issued by SEBI.
Memorandum of Association	The memorandum of association of the Company.
NBFC	Non-Banking Financial Company
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
Pay In Date	As provided under the relevant Key Information Document.
Rating Agency(ies)	As defined under the relevant Key Information Document.
RBI	Reserve Bank of India.
Registrar and Transfer Agent(s)	As defined under the relevant Key Information Document.
RoC/ROC	Registrar of Companies, Ahmedabad
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India.
SEBI Debenture Trustee Circular	SEBI circular on 'Master Circular for Debenture Trustee' bearing no. SEBI/HO/DDHS-PoD3/P/CIR/2024/46 dated May 16, 2024 issued by SEBI, as amended, modified, supplemented, or substituted from time to time.
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) read together with the Master Circular.
Secured Assets	As defined under the relevant Key Information Document
Secured Parties	As defined under the relevant Key Information Document.
Security	A mortgage, charge, pledge, lien or other security interest securing any obligation of any person.
Stock Exchange(s)	BSE
Tax	As defined under the relevant Key Information Document.
Terms and Conditions	The terms and conditions pertaining to the Issue as outlined in the relevant Key Information Document and other Transaction Documents.
Transaction Documents	As defined in the relevant Key Information Document.

Term	Description
Trustee Agreement	The debenture trustee agreement as defined under the relevant Key Information Document.
WDM	Wholesale Debt Market Segment of the Stock Exchange.

This General Information Document shall be read in conjunction with the Key Information Document issued for the relevant Issue of Debt Securities and the Debenture Trust Deed executed in relation to such Issue and in case of any inconsistency or conflict between this General Information Document and the relevant Key Information Document, the provisions of the relevant Key Information Document shall prevail and in case of any inconsistency or conflict between the relevant Key Information Document and the respective Debenture Trust Deed, the provisions of the respective Debenture Trust Deed shall prevail and override the provisions of the Key Information Document.

SECTION II - DISCLAIMERS

GENERAL DISCLAIMER

THIS GENERAL INFORMATION DOCUMENT, READ WITH THE RELEVANT KEY INFORMATION DOCUMENT, IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND SHOULD NOT BE CONSTRUED TO BE A PROSPECTUS OR A STATEMENT IN LIEU OF PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBT SECURITIES TO BE ISSUED BY THE COMPANY UNDER THE COMPANIES ACT, 2013 OR ANY OTHER PREVAILING RULES AND REGULATIONS. THIS IS ONLY AN INFORMATION BROCHURE INTENDED FOR PRIVATE USE. THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN PREPARED IN CONFORMITY WITH THE SEBI DEBT REGULATIONS, THE COMPANIES ACT, 2013, THE CP GUIDELINES (TO THE EXTENT APPLICABLE) AND FORM PAS-4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME. THE ISSUE OF DEBT SECURITIES TO BE LISTED ON BSE IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. THIS GENERAL INFORMATION DOCUMENT IS NOT INTENDED TO BE CIRCULATED TO MORE THAN 199 (ONE HUNDRED AND NINETY NINE) PERSONS IN RELATION TO EACH ISSUANCE UNDER THIS GENERAL INFORMATION DOCUMENT. MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBT SECURITIES TO THE PUBLIC IN GENERAL. IT IS THE RESPONSIBILITY OF INVESTORS TO ENSURE THAT THEY WILL SELL THESE DEBT SECURITIES IN STRICT ACCORDANCE WITH THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, TRANSACTION DOCUMENTS AND OTHER APPLICABLE LAWS SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT. APART FROM THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, NO OFFER DOCUMENT OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE COMPANY NOR IS SUCH A PROSPECTUS REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS (OTHER THAN, IN CASE OF ISSUANCE OF COMMERCIAL PAPERS, CP LETTER OF OFFER). THE POTENTIAL INVESTORS SHALL AT ALL TIMES BE RESPONSIBLE FOR ENSURING THAT IT SHALL NOT DO ANY ACT DEED OR THING WHICH WOULD RESULT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT BEING RELEASED TO ANY THIRD PARTY (WHERE SUCH PARTY IS NOT AN INTENDED RECIPIENTS FROM THE COMPANY) AND IN TURN CONSTITUTES AN OFFER TO THE PUBLIC HOWSOEVER.

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND THE CONTENTS HEREOF ARE RESTRICTED ONLY FOR THE INTENDED RECIPIENT(S) WHO HAVE BEEN ADDRESSED DIRECTLY AND SPECIFICALLY THROUGH A COMMUNICATION BY THE COMPANY OR THE ARRANGERS AND ONLY SUCH RECIPIENTS ARE ELIGIBLE TO APPLY FOR THE DEBT SECURITIES. ALL INVESTORS ARE REQUIRED TO COMPLY WITH THE RELEVANT REGULATIONS/GUIDELINES APPLICABLE TO THEM FOR INVESTING IN THIS ISSUE. THE CONTENTS OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT ARE INTENDED TO BE USED ONLY BY THOSE INVESTORS TO WHOM IT IS ISSUED. IT IS NOT INTENDED FOR

DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED BY THE RECIPIENT. THE POTENTIAL INVESTORS SHALL BE REQUIRED TO INDEPENDENTLY PROCURE ALL THE LICENSES AND APPROVALS, IF APPLICABLE, PRIOR TO SUBSCRIBING TO THE DEBT SECURITIES AND THE COMPANY SHALL NOT BE RESPONSIBLE FOR THE SAME.

NO INVITATION IS BEING MADE TO ANY PERSONS OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN SENT. ANY APPLICATION BY A PERSON TO WHOM THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE NOT BEEN SENT BY OR ON BEHALF OF THE COMPANY SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHALL MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND SHALL NOT REPRODUCE OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING THE CONTENTS HEREOF WITHOUT THE CONSENT OF THE COMPANY. THE RECIPIENT AGREES TO KEEP CONFIDENTIAL ALL INFORMATION PROVIDED (OR MADE AVAILABLE HEREAFTER), INCLUDING, WITHOUT LIMITATION, THE EXISTENCE AND TERMS OF THE ISSUE, ANY SPECIFIC PRICING INFORMATION RELATED TO THE ISSUE OR THE AMOUNT OR TERMS OF ANY FEES PAYABLE TO THE ARRANGERS OR OTHER PARTIES IN CONNECTION WITH THE ISSUE. THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT MAY NOT BE PHOTOCOPIED, REPRODUCED, OR DISTRIBUTED TO OTHERS AT ANY TIME WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY. UPON REQUEST, THE RECIPIENTS WILL PROMPTLY RETURN ALL MATERIAL RECEIVED FROM THE COMPANY OR THE ARRANGERS AND/OR ANY OF THEIR AFFILIATES (INCLUDING THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT) WITHOUT RETAINING ANY COPIES HEREOF. IF ANY RECIPIENT OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DECIDES NOT TO PARTICIPATE IN THE ISSUE, THAT RECIPIENT MUST PROMPTLY RETURN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND ALL REPRODUCTIONS WHETHER IN WHOLE OR IN PART AND ANY OTHER INFORMATION STATEMENT, NOTICE, OPINION, MEMORANDUM, EXPRESSION OR FORECAST MADE OR SUPPLIED AT ANY TIME IN RELATION THERETO OR RECEIVED IN CONNECTION WITH THE ISSUE, TO THE COMPANY.

IN THE EVENT OF CONFLICT BETWEEN THE PROVISIONS OF THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT, THE TERMS OF THE KEY INFORMATION DOCUMENT SHALL PREVAIL AND IN CASE OF ANY INCONSISTENCY OR CONFLICT BETWEEN THE KEY INFORMATION DOCUMENT AND THE RESPECTIVE DEBENTURE TRUST DEED, THE PROVISIONS OF THE RESPECTIVE DEBENTURE TRUST DEED SHALL PREVAIL AND OVERRIDE THE PROVISIONS OF THE KEY INFORMATION DOCUMENT.

DISCLAIMER IN RESPECT OF JURISDICTION

THIS ISSUE IS MADE IN INDIA TO THE ELIGIBLE INVESTORS, WHO SHALL BE SPECIFICALLY APPROACHED BY THE COMPANY. THE DISTRIBUTION OF THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT OR THE

APPLICATION FORMS AND THE OFFER, SALE, PLEDGE OR DISPOSAL OF THE DEBT SECURITIES MAY BE RESTRICTED OR PROHIBITED BY LAW IN CERTAIN JURISDICTIONS. RECIPIENTS ARE REQUIRED TO OBSERVE SUCH RESTRICTIONS AND THE ARRANGERS AND THEIR AFFILIATES ACCEPT NO LIABILITY TO ANY PERSON IN RELATION TO THE DISTRIBUTION OF INFORMATION IN ANY JURISDICTION.

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO DEBT SECURITIES OFFERED HEREBY TO ANY PERSON TO WHOM IT IS NOT SPECIFICALLY ADDRESSED. ANY DISPUTES ARISING OUT OF THIS ISSUE WILL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURTS AND TRIBUNALS AS SET OUT IN THE RELEVANT KEY INFORMATION DOCUMENT. THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO THE DEBT SECURITIES HEREIN, IN ANY OTHER JURISDICTION AND TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. THE SALE OR TRANSFER OF THESE DEBT SECURITIES OUTSIDE INDIA MAY REQUIRE REGULATORY APPROVALS IN INDIA, INCLUDING WITHOUT LIMITATION, THE APPROVAL OF THE RBI OR OTHER REGULATORY AUTHORITY.

DISCLAIMER OF THE COMPANY

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN PREPARED BY THE COMPANY SOLELY TO PROVIDE GENERAL INFORMATION ABOUT THE COMPANY AND SETTING OUT THE KEY TERMS UPON WHICH THE DEBT SECURITIES ARE BEING ISSUED, TO ELIGIBLE INVESTORS TO WHOM IT IS ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE DEBT SECURITIES. THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY ELIGIBLE INVESTOR MAY REQUIRE. FURTHER, THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN PREPARED FOR INFORMATION PURPOSES RELATING TO THIS TRANSACTION ONLY AND UPON THE EXPRESS UNDERSTANDING THAT IT WILL BE USED ONLY FOR THE PURPOSES SET FORTH HEREIN.

THE COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT CONTAIN ALL INFORMATION WITH REGARD TO THE COMPANY AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY STATED AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING.

THE COMPANY ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND ANYONE PLACING RELIANCE

ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

THE COMPANY HAS NOT OMITTED ANY MATERIAL FACT NECESSARY TO MAKE AND THE STATEMENTS MADE HEREIN ARE NOT MISLEADING IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY ARE MADE. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT OR IN ANY MATERIAL MADE AVAILABLE BY THE COMPANY TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE COMPANY CONFIRMS THAT ALL INFORMATION CONSIDERED ADEQUATE AND RELEVANT TO THE ISSUE HAS BEEN MADE AVAILABLE IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT FOR THE USE AND PERUSAL OF THE POTENTIAL INVESTORS AND NO SELECTIVE OR ADDITIONAL INFORMATION WOULD BE MADE AVAILABLE TO ANY SECTION OF INVESTORS IN ANY MANNER WHATSOEVER.

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT DO NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE DEBT SECURITIES OR THE DISTRIBUTION OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS OFFER AND THE OFFERING AND ISSUE OF THE DEBT SECURITIES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT COME ARE REQUIRED TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS. THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT ARE MADE AVAILABLE TO INVESTORS IN THE ISSUE ON THE STRICT UNDERSTANDING THAT THE CONTENTS HEREOF ARE STRICTLY CONFIDENTIAL AND THE DETAILS PROVIDED HEREIN ARE STRICTLY FOR THE SOLE PURPOSE OF INFORMATION TO THE POTENTIAL INVESTORS.

THE COMPANY DOES NOT UNDERTAKE TO UPDATE THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE GENERAL INFORMATION DOCUMENT AND THUS IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE COMPANY.

NEITHER THE DELIVERY OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT NOR ANY ISSUE OF DEBT SECURITIES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF.

DISCLAIMER OF THE STOCK EXCHANGE

AS REQUIRED, A COPY OF THIS GENERAL INFORMATION DOCUMENT HAS BEEN, AND THE RELEVANT KEY INFORMATION DOCUMENT WILL BE FILED WITH BSE PURSUANT TO THE SEBI DEBT REGULATIONS. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF

THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT TO THE BSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT HAVE BEEN REVIEWED, CLEARED OR APPROVED BY BSE; NOR DOES THAT BSE IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, OR THAT THE COMPANY'S DEBT SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON BSE. BSE DOES NOT TAKE ANY RESPONSIBILITY FOR THE SOUNDNESS OF THE FINANCIAL AND OTHER CONDITIONS OF THE COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE COMPANY. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY DEBT SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST BSE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

THE DEBT SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY SEBI NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS GENERAL INORMATION DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROPOSAL FOR WHICH THE DEBT SECURITIES ISSUED HEREOF IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT. SEBI RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE COMPANY, ANY IRREGULARITIES OR LAPSES IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT.

AS PER THE PROVISIONS OF THE SEBI DEBT REGULATIONS, IT IS NOT STIPULATED THAT A COPY OF THIS GENERAL INFORMATION DOCUMENT OR ANY KEY INFORMATION DOCUMENT HAS TO BE FILED WITH OR SUBMITTED TO THE SEBI FOR ITS REVIEW / APPROVAL. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS GENERAL INFORMATION DOCUMENT OR ANY KEY INFORMATION DOCUMENT WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT OR ANY KEY INFORMATION DOCUMENT.

DISCLAIMER OF THE RESERVE BANK OF INDIA

THE DEBT SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY RBI NOR DOES RBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS GENERAL INFORMATION DOCUMENT. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THIS GENERAL INFORMATION

DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY RBI. RBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY PROPOSAL FOR WHICH THE DEBT SECURITIES ISSUED HEREOF IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT. RBI RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE COMPANY, ANY IRREGULARITIES OR LAPSES IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT.

DISCLAIMER OF THE RATING AGENCY

AS AT THE DATE OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, THE RATING AGENCY HAS ASSIGNED SUCH RATING TO DEBT SECURITIES AS MENTIONED IN THE RLEEVANT KEY INFORMATION DOCUMENT. THE RATING ASSIGNED BY THE RATING AGENCY IS AN OPINION ON CREDIT QUALITY AND IS NOT A RECOMMENDATION TO BUY, SELL OR HOLD THE RATED DEBT INSTRUMENTS. INVESTORS SHOULD TAKE THEIR OWN DECISIONS. THE RATING AGENCY HAS BASED ITS RATING ON INFORMATION OBTAINED FROM SOURCES BELIEVED BY THEM TO BE ACCURATE AND RELIABLE. THE RATING AGENCY DOES NOT, HOWEVER, GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY INFORMATION AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF SUCH INFORMATION.

RATINGS DO NOT COMMENT ON THE ADEQUACY OF MARKET PRICE, THE SUITABILITY OF ANY INVESTMENT, LOAN OR SECURITY FOR A PARTICULAR INVESTOR (INCLUDING WITHOUT LIMITATION, ANY ACCOUNTING AND/OR REGULATORY TREATMENT), OR THE TAX-EXEMPT NATURE OR TAXABILITY OF PAYMENTS MADE IN RESPECT OF ANY INVESTMENT, LOAN OR SECURITY. THE RATING AGENCY IS NOT YOUR ADVISOR, NOR IS IT PROVIDING TO YOU OR ANY OTHER PARTY ANY FINANCIAL ADVICE, OR ANY LEGAL, AUDITING, ACCOUNTING, APPRAISAL, VALUATION OR ACTUARIAL SERVICES. THE RATING MAY BE RAISED, LOWERED, WITHDRAWN OR PLACED ON RATING WATCH DUE TO CHANGES IN, ADDITIONS TO, ACCURACY OF, OR THE INADEQUACY OF, INFORMATION OR FOR ANY OTHER REASON THE RATING AGENCY DEEM SUFFICIENT.

THE RATING MAY BE SUBJECT TO REVISION OR WITHDRAWAL AT ANY TIME BY THE RATING AGENCY AND SHOULD BE EVALUATED INDEPENDENTLY OF ANY OTHER RATING. THE RATING AGENCY HAS THE RIGHT TO SUSPEND OR WITHDRAW THE RATING AT ANY TIME BASIS OF FACTORS SUCH AS NEW INFORMATION OR UNAVAILABILITY OF INFORMATION OR ANY OTHER CIRCUMSTANCES.

THE RATING AGENCY SHALL NEITHER CONSTRUED TO BE NOR ACTING UNDER THE CAPACITY OR NATURE OF AN 'EXPERT' AS DEFINED UNDER SECTION 2(38) OF THE COMPANIES ACT, 2013.

DISCLAIMER OF THE ARRANGER

THE ISSUER HAS AUTHORISED CERTAIN ARRANGER(S) AS SET OUT IN THE KEY INFORMATION DOCUMENT (THE "**ARRANGER**") TO DISTRIBUTE THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT IN CONNECTION WITH THE DEBENTURES PROPOSED TO BE ISSUED BY THE ISSUER. THE ISSUER HAS

PREPARED THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT AND THE ISSUER IS SOLELY RESPONSIBLE FOR ITS CONTENTS. THE ISSUER WILL COMPLY WITH ALL LAWS, RULES AND REGULATIONS AND HAS OBTAINED ALL REGULATORY, GOVERNMENTAL AND CORPORATE APPROVALS FOR THE ISSUANCE OF THE DEBENTURES. ALL THE INFORMATION CONTAINED IN THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT HAS BEEN PROVIDED BY THE ISSUER OR IS FROM PUBLICLY AVAILABLE INFORMATION, AND SUCH INFORMATION HAS NOT BEEN INDEPENDENTLY VERIFIED BY THE ARRANGER. NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IS OR WILL BE MADE, AND NO RESPONSIBILITY OR LIABILITY IS OR WILL BE ACCEPTED, BY THE ARRANGER FOR THE ACCURACY, COMPLETENESS, RELIABILITY, CORRECTNESS OR FAIRNESS OF THIS GENERAL INFORMATION DOCUMENT OR THE KEY INFORMATION DOCUMENT OR ANY OF THE INFORMATION OR OPINIONS CONTAINED THEREIN, AND THE ARRANGER HEREBY EXPRESSLY DISCLAIM, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RESPONSIBILITY FOR THE CONTENTS OF THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT AND ANY LIABILITY, WHETHER ARISING IN TORT OR CONTRACT OR OTHERWISE, RELATING TO OR RESULTING FROM SUCH DOCUMENTS OR ANY INFORMATION OR ERRORS CONTAINED THEREIN OR ANY OMISSIONS THEREFROM. BY ACCEPTING THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT, THE INVESTOR AGREES THAT THE ARRANGER WILL NOT HAVE ANY SUCH LIABILITY.

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ISSUED BY THE ISSUER ON A PRIVATE PLACEMENT BASIS. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE USE OF THIS DOCUMENT BY THE ARRANGER SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE GENERAL INFORMATION DOCUMENT OR THE KEY INFORMATION DOCUMENT HAS BEEN PREPARED, CLEARED, APPROVED OR VETTED BY THE ARRANGER; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THE GENERAL INFORMATION DOCUMENT AND KEY INFORMATION DOCUMENT; NOR DOES IT TAKE RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. THE ARRANGER OR ANY OF THEIR DIRECTORS, EMPLOYEES, DO NOT ACCEPT ANY RESPONSIBILITY AND/OR LIABILITY FOR ANY EXPENSES PAID ARISING OF WHATEVER NATURE AND EXTENT IN CONNECTION WITH THE USE OF ANY OF THE INFORMATION CONTAINED IN THIS GENERAL INFORMATION DOCUMENT OR THE KEY INFORMATION DOCUMENT.

THE INVESTORS SHOULD CAREFULLY READ AND RETAIN THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT. HOWEVER, THE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF HEREOF OR THEREOF AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE, AND THE INVESTORS SHOULD CONSULT WITH THEIR OWN ADVISORS AS TO ALL LEGAL, ACCOUNTING, REGULATORY, TAX, FINANCIAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE DEBENTURES. THIS GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT IS NOT INTENDED TO BE THE BASIS OF ANY CREDIT ANALYSIS OR OTHER EVALUATION AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE ARRANGER OR ANY OTHER PERSON THAT ANY RECIPIENT PARTICIPATES IN THE ISSUE OR ADVICE OF ANY SORT. IT IS UNDERSTOOD THAT EACH RECIPIENT OF THIS GENERAL INFORMATION DOCUMENT WILL PERFORM ITS OWN INDEPENDENT INVESTIGATION AND CREDIT ANALYSIS OF THE PROPOSED FINANCING AND THE BUSINESS, OPERATIONS, FINANCIAL CONDITION, PROSPECTS, CREDITWORTHINESS, STATUS AND AFFAIRS OF THE ISSUER BASED ON SUCH INFORMATION AND INDEPENDENT INVESTIGATION AS IT DEEMS RELEVANT OR APPROPRIATE AND WITHOUT RELIANCE ON THE ARRANGER OR ON THIS GENERAL INFORMATION DOCUMENT OR THE KEY INFORMATION DOCUMENT.

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THE DEBENTURE TRUSTEE DOES NOT UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE COMPANY DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AND DOES NOT HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR PROSPECTIVE INVESTOR IN THE DEBENTURES OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE DEBENTURE TRUSTEE, ITS AGENTS OR ADVISORS EXCEPT AS SPECIFICALLY PROVIDED FOR IN THE DEBENTURE TRUST DEED.

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THE DEBENTURE TRUSTEE IS NEITHER A PRINCIPAL DEBTOR NOR A GUARANTOR OF THE DEBENTURES.

CAUTIONARY NOTE

THE INVESTORS ACKNOWLEDGE BY THE RECEIPT OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT THAT THEY, (I) ARE KNOWLEDGEABLE AND EXPERIENCED IN FINANCIAL AND BUSINESS MATTERS, HAVE EXPERTISE IN ASSESSING CREDIT, MARKET AND ALL OTHER RELEVANT RISK AND ARE CAPABLE OF EVALUATING, AND HAVE EVALUATED, INDEPENDENTLY THE MERITS, RISKS AND SUITABILITY OF PURCHASING THE DEBT SECURITIES, (II) UNDERSTAND THAT THE COMPANY HAS NOT PROVIDED, AND WILL NOT PROVIDE, ANY MATERIAL OR OTHER INFORMATION REGARDING THE DEBT SECURITIES, EXCEPT AS INCLUDED IN THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT, (III) HAVE NOT REQUESTED THE COMPANY TO PROVIDE IT WITH ANY SUCH MATERIAL OR OTHER INFORMATION, (IV) HAVE NOT RELIED ON ANY INVESTIGATION THAT ANY PERSON ACTING ON THEIR BEHALF MAY HAVE CONDUCTED WITH RESPECT TO THE DEBT SECURITIES, (V) HAVE MADE THEIR OWN INVESTMENT DECISION REGARDING THE DEBT SECURITIES BASED ON THEIR OWN KNOWLEDGE (AND INFORMATION THEY HAVE OR WHICH IS PUBLICLY AVAILABLE) WITH RESPECT TO THE DEBT SECURITIES OR THE COMPANY, (VI) HAVE HAD ACCESS TO SUCH INFORMATION AS DEEMED NECESSARY OR APPROPRIATE IN CONNECTION WITH PURCHASE OF THE DEBT SECURITIES, (VII) ARE NOT RELYING UPON, AND HAVE NOT RELIED UPON, ANY STATEMENT, REPRESENTATION OR WARRANTY MADE BY ANY PERSON, INCLUDING, WITHOUT LIMITATION, THE COMPANY, AND (VIII) UNDERSTAND THAT, BY PURCHASE OR HOLDING OF THE DEBT SECURITIES, THEY ARE ASSUMING AND ARE CAPABLE OF BEARING THE RISK OF LOSS THAT MAY OCCUR WITH RESPECT TO THE DEBT SECURITIES, INCLUDING THE POSSIBILITY THAT THEY MAY LOSE ALL OR A SUBSTANTIAL PORTION OF THEIR INVESTMENT IN THE DEBT SECURITIES AND THEY WILL NOT LOOK TO THE ARRANGERS AND/OR ANY OF THEIR AFFILIATES FOR ALL OR PART OF ANY SUCH LOSS OR LOSSES THAT THEY MAY SUFFER.

NEITHER THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE ISSUE OF DEBT SECURITIES IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION AND ANY RECIPIENT OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT SHOULD NOT CONSIDER SUCH RECEIPT AS A RECOMMENDATION TO PURCHASE ANY DEBT SECURITIES. EACH INVESTOR CONTEMPLATING PURCHASING ANY DEBT SECURITIES SHOULD MAKE ITS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE COMPANY, AND ITS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE COMPANY. POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE DEBT SECURITIES AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYZE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. PROSPECTIVE INVESTORS ARE REQUIRED TO MAKE THEIR OWN INDEPENDENT EVALUATION AND JUDGMENT BEFORE MAKING THE INVESTMENT AND ARE BELIEVED TO BE EXPERIENCED IN INVESTING IN DEBT MARKETS AND ARE ABLE TO BEAR THE ECONOMIC RISK OF INVESTING IN SUCH INSTRUMENTS.

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NO PERSON, INCLUDING ANY EMPLOYEE OF THE COMPANY, HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT. ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEING AUTHORISED BY OR ON BEHALF OF THE COMPANY. NEITHER THE DELIVERY OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT AT ANY TIME NOR ANY STATEMENT MADE IN CONNECTION WITH THE OFFERING OF THE DEBT SECURITIES SHALL UNDER THE CIRCUMSTANCES IMPLY THAT ANY INFORMATION/ REPRESENTATION CONTAINED HEREIN IS CORRECT AT ANY TIME SUBSEQUENT TO THE DATE OF THIS GENERAL INFORMATION DOCUMENT.

Table indicating references of disclosure requirements under Form PAS-4

Sr. No.	Particulars	Page No.
	PART A	
1.	**GENERAL INFORMATION**	
(a)	Name, address, website, if any, and other contact details of the company indicating both registered office and corporate office;	Eris Lifesciences Limited, Website: www.eris.co.in. Contact Details: complainceofficer@erislifesciences.com Registered and Corporate office of the Company: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054
(b)	Date of incorporation of the company;	25 January 2007
(c)	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	Please refer to paragraph 3 of Section III (*General Information*)
(d)	Brief particulars of the management of the company;	Please refer to paragraphs 6 to 11 of Section III (*General Information*)
(e)	Names, addresses, DIN and occupations of the directors;	Please refer to paragraph 10 of Section III (*General Information*)
(f)	Management's perception of risk factors;	Please refer to Section IV (*Risk Factors*)
(g)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of – (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon;	Please refer to paragraph 20 of Section III (*General Information*)
(h)	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Please refer to paragraph 25 of Section III (*General Information*)
(i)	Any default in annual filing of the company under the Companies Act, 2013 or rules made thereunder;	Please refer to paragraph 36 of Section III (*General Information*)
2.	**PARTICULARS OF THE OFFER**	
(a)	Financial position of the company for the last 3 financial years;	Please refer to Annexure 8
(b)	Date of passing of board resolution;	May 21, 2024
(c)	Date of passing of resolution in the general meeting, authorizing the offer of securities;	February 03, 2017
(d)	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	Issue of Rated, Listed, Secured/Unsecured Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 and/or Listed Commercial Papers of Face Value of INR 5,00,000 each, or such

Sr. No.	Particulars	Page No.
		other face value as permitted under applicable law, on a private placement basis. the issue size of the commercial papers and debentures proposed to be issued shall be mentioned in the Relevant Key Information Document
(e)	Price at which the security is being offered including the premium, if any, along with justification of the price;	As per the relevant Key Information Document
(f)	Name and address of the valuer who performed valuation of the security offered; and basis on which the price has been arrived at along with report of the registered valuer;	Not applicable
(g)	Relevant date with reference to which the price has been arrived at; [Relevant Date means a date atleast thirty days prior to the date on which the general meeting of the company is scheduled to be held.]	Not applicable
(h)	The class or classes of persons to whom the allotment is proposed to be made;	As per the 'Eligible Investors' identified in relevant Key Information Document
(i)	Intention of promoters, directors or key managerial personnel to subscribe to the offer	Please refer to Paragraph 3 of Section V (*Particulars of the offer*)
(j)	The proposed time within which the allotment shall be completed;	As per the relevant Key Information Document
(k)	The names of the proposed allottees and the percentage of post private placement capital that may be held by them;	Not applicable
(l)	The change in control, if any, in the company that would occur consequent to the private placement;	Not applicable
(m	The number of persons to whom allotment on preferential basis/private placement/rights issue has already been made during the year, in terms of number of securities as well as price;	The private placement has been made to the persons mentioned in the "List of Top 10 holders of non-convertible securities in terms of value", please refer to Paragraph 8 of Section VI (*Financial Information.*)
(n)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not applicable
(o)	Amount which the company intends to raise by way of securities;	As per the relevant Key Information Document.
(p)	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;	As per the relevant Key Information Document.
(q)	Proposed time schedule for which the General Information Document is valid;	This General Information Document is valid for a period of 1 (one) year from the Issue Opening Date of the first Tranche/ Series of Debt Securities issued pursuant to this General Information Document.

Sr. No.	Particulars	Page No.
(r)	Purposes and objects of the offer;	As per the relevant Key Information Document.
(s)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Please refer to Paragraph 3(c)(iv) of Section V (*Particulars of the offer*)
(t)	Principle terms of assets charged as security, if applicable;	As per the relevant Key Information Document.
(u)	The details of significant and material orders passed by the Regulators Courts and Tribunals impacting the going concern status of the company and its future operations;	Please refer to Paragraph 3 of Section V (*Particulars of the offer*)
(v)	The pre-issue and post issue shareholding pattern of the company;	Not applicable
3.	**MODE OF PAYMENT OF SUBSCRIPTION**	As per the relevant Key Information Document.
4.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**	
(a)	Any financial or other material interest of the directors, promoters, key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons;	Paragraph 3(a) of Section V (*Particulars of the offer*)
(b)	details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the Key Information Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;	Paragraph 3(b) of Section V (*Particulars of the offer*
(c)	Remuneration of directors (during the current year and last three financial years);	Paragraph 3(c) of Section V (*Particulars of the offer*)
(d)	Related party transactions entered during the last three financial years immediately preceding the year of circulation of Key Information Document including with regard to loans made or, guarantees given or securities provided;	Paragraph 3(d) of Section V (*Particulars of the offer*)
(e)	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of Key Information Document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark;	Paragraph 3(e) of Section V (*Particulars of the offer*)
(f)	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Key Information	Paragraph 3(f) of Section V (*Particulars of the offer*)

Sr. No.	Particulars	Page No.
	Document in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Key Information Document and if so, section-wise details thereof for the company and all of its subsidiaries;	
(g)	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Paragraph 3(j) of Section V (*Particulars of the offer*)
5.	**FINANCIAL POSITION OF THE COMPANY**	
(a)	The capital structure of the company in the following manner in a tabular form-	Paragraph 1 of Section VI (*Financial position of the Company*)
(i)	the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	Paragraph 1 of Section VI (*Financial position of the Company*)
(ii)	size of the present offer;	As per the relevant Key Information Document
(iii)	paid up capital	Paragraph 1 of Section VI (*Financial position of the Company*)
(I)	after the offer;	Paragraph 1 of Section VI (*Financial position of the Company*)
(II)	after conversion of convertible instruments (if applicable)	Paragraph 1 of Section VI (*Financial position of the Company*)
(iv)	share premium account (before and after the offer) (a) Before the offer: (b) After the offer:	Paragraph 1 of Section VI (*Financial position of the Company*)
(i)	the details of the existing share capital of the Company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration Provided that the Company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the Key Information Document separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	Paragraph 4 of Section VI (*Financial position of the Company*)
(b)	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of Key Information Document;	Paragraph 9 of Section VI (*Financial position of the Company*)
(c)	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	Paragraph 10 of Section VI (*Financial position of the Company*)
(d)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of Key Information Document;	Paragraph 11 of Section VI (*Financial position of the Company*)

Sr. No.	Particulars	Page No.
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of issue of Key Information Document;	As per Annexure 8
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Paragraph 13 of Section VI (*Financial position of the Company*)
	PART B	
	(To be filed by the Applicant) (i) Name (ii) Father's name (iii) Complete Address including Flat/House Number, Street, Locality, Pin Code (iv) Phone number, if any (v) Email ID, if any (vi) PAN Number (vii) Bank Account Details: (viii) Tick whichever is applicable:- (a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.- ☐ (b) The applicant is required Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. - ☐ Signature Initial of the Officer of the company designated to keep the record	Please refer to the relevant Key Information Document
6.	**A DECLARATION BY THE DIRECTORS THAT-** (a) the company has complied with the provisions of the Companies Act and the rules made thereunder; (b) the compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Key Information Document.	Please refer to Section VII (*Undertaking*).

SECTION III – GENERAL INFORMATION

1. Company

Name: Eris Lifesciences Limited
Date of incorporation: 25 January 2007
Registered office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054
Corporate Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054
Website: https://eris.co.in/
Tel: 07969661000
Fax: 07969661155

2. Business carried on by the Company and its subsidiaries with details of the branches or units, where the Company carries on its business activities, if any.

Eris Lifesciences Limited is a public limited company incorporated under Companies Act, 1956 on 25 January 2007. It is engaged in the business of *inter alia* development, manufacturing, and commercialization of branded pharmaceutical formulations.

3. Overview and a brief summary of the business activities of the Company

Eris Lifesciences Ltd is a publicly listed Indian pharmaceutical company and a leading player in the domestic branded formulations market. Ranked #21 in the IPM, Eris has established a leading presence in its core cardio-metabolic franchise in just 17 years from inception. Eris is also successfully diversifying its business with 4 emerging therapies (Dermatology, Neuropsychiatry, Gynecology and Nephrology) accounting for 29% of its revenue.

We began our journey 17 years ago in 2007 with the vision to make a meaningful impact in the management of chronic lifestyle related diseases. Today Chronic and Sub-chronic therapies account for ~ 86% of our revenue, and our product range spans ~ 90% of India's Rs. 55,000+ crore chronic care market. Our business model is pivoted around specialist/ super specialist doctors and high end consulting physicians. We consistently endeavour to channel the advantages of cutting-edge medical knowledge to aid our clinicians and patients with better disease management options and outcomes.

Our market engagement consists of two pillars – (i) Patient Care Initiatives (PCI), and (ii) India-Centric Studies. Through our PCI platform, we bring cutting edge diagnosis and monitoring technologies to patients. The insights from these interventions are immensely useful to our physicians in managing the health outcomes of their patients. Examples of such interventions include Ambulatory Blood Pressure Monitoring (ABPMs), Continuous Glucose Monitoring (CGMs), Holter Devices, Sleep Studies, etc. Our second engagement pillar, India-centric Studies was born out of the imperative to generate and use India-centric data in the diagnosis and management of cardio-metabolic conditions. In FY21 the results of our first such study – The India Heart Study (IHS) – were published in the Journal of Hypertension, which is the official journal of the European Society of Hypertension. On the back of the success of the IHS, we recently concluded the India Diabetes Study (IDS), the results of which were published in April 2022 in the Public Library of Science (PLOS) journal.

Details of branches or units where the issuer carries on its business activities:

Sr. No.	Details of Branches/Business Units
1.	Eris Lifesciences Limited – Mumbai Office GB – 05/06, Ground Floor, B – Wing, Art Guild House, Near Phoenix Market City Mall, Kurla (W), Mumbai-400070, India
2.	Eris Lifesciences Limited – Factory Plot no 31, Bharhmaputra Industrial Park Sila, Sinduri Ghopa, North Guwahati, Dist Kamrup Assam – 781031

4. A brief summary of the business activities of the subsidiaries of the Company

The Subsidiaries of the Company are engaged in the same business as of its Holding Company.

***5.* Corporate Structure of the Group as on the date of this General Information Document**

Sr. No.	Name of Subsidiary/Joint venture	Relation of the Company	% of Holding by the Company
1	Eris Therapeutics Limited	Wholly Owned Subsidiary	100%
2	Aprica Healthcare Limited	Wholly Owned Subsidiary	100%
3	Eris M. J. Biopharm Private Limited	Subsidiary	70%
4	Eris Oaknet Healthcare Private Limited	Wholly Owned Subsidiary	100%
5	Eris Healthcare Private Limited	Wholly Owned Subsidiary	100%
6	Swiss Parenterals Limited	Subsidiary	70%
7	Eris Pharmaceuticals Private Limited	Step Down Subsidiary	76%

6. Details of the Promoters of the Company

	Name: Amit Indubhushan Bakshi Date of birth: November 28, 1974 Age: 49 years Personal address: 01 Amrakadam Co-Operative Housing Society, opposite Sukan Flats, Ramdevnagar, Satellite, Ahmedabad 380 015, Gujarat, India Educational qualifications: Indian School Certificate examination Experience in business or employment: more than 20 years' experience in the pharmaceutical industry. Positions/ posts held in past: last employment at Intas Pharmaceuticals Limited Directorships held: 4 Companies (Eris Lifesciences Limited, Eris M. J. Biopharm Private Limited, Amit Bakshi Foundation and Eris Oaknet Healthcare Private Limited) Other ventures: NIL Special achievements: NA Business and financial activities: Chairperson and Manging Director PAN: AGIPB4441Q

	Name: Inderjeet Singh Negi Date of birth: June 22, 1971 Age: 53 years Personal address: B-51, Riviera elegance, Prahladnagar, Satellite, opp. Auda garden, corporate road, Ahmedabad, Gujarat, India 380015 Educational qualifications: Bachelor's degree in Science Experience in business or employment: more than 20 years of experience in the pharmaceutical industry Positions/ posts held in past: last employment at Intas Pharmaceuticals Limited Directorships held: 04 Companies (Eris Lifesciences Limited, Eris Therapeutics Limited, Eris Healthcare Private Limited, and Amit Bakshi Foundation) Other ventures: NIL Special achievements: NA Business and financial activities: Whole Time Director PAN: ADTPN8312L
	Name: Rajendra Rambhai Patel Date of birth: February 16, 1977 Age: 47 years Personal address: H-103, AKASH - 3, 132 ft Ring Road, Nr. Sahajanand Complex, Near AEC, Naranpura, Ahmedabad, Gujarat- 380013 Educational qualifications: Bachelor's degree in science, Diploma in pharmacy Experience in business or employment: more than 15 years experience in the pharmaceutical industry Positions/ posts held in past: last employment at Intas Pharmaceuticals Limited Directorships held: NIL Other ventures: NA Special achievements: NA Business and financial activities: President Operations PAN: AGYPP4398J
	Name: Kaushal Kamlesh Shah Date of birth: July 12, 1979 Age: 45 years Personal address: 6, Venetian Villa, Opp Anand Niketan School, Thaltej Shilaj Road, Thaltej, Ahmedabad, Gujarat, India-380059 Educational qualifications: Post graduate diploma in management Experience in business or employment: more than 15 years experience in the pharmaceutical industry Positions/ posts held in past: last employment at Kanchan Pharma Directorships held: 06 companies (Eris Lifesciences Limited, Eris Therapeutics Limited, Aprica Healthcare Limited, Eris M. J. Biopharm Private Limited, Eris Healthcare Private Limited, and Swiss Parenterals Limited) Other ventures: NA Special achievements: NA Business and financial activities: Whole Time Director PAN: AFGPS3732Q

7. Details of Promoter Holding in the Company as on latest quarter end date, i.e. March 31, 2024

Sr. No.	Name of the shareholders	Total No. of Equity Shares	No. of shares in demat form	Total shareholding as % of total no of equity shares	No. of Shares Pledged	% of Shares pledged with respect to shares owned
1.	Amit Indubhusan Bakshi	5,83,35,144	5,83,35,144	42.8846	81,76,470	14.0164
2.	Rajendrakumar Rambhai Patel	59,39,834	59,39,834	4.3666	18,82,500	31.6928
3.	Inderjeet Singh Negi	59,39,833	59,39,833	4.3666	18,82,500	31.6928
4.	Kaushal Kamleshkumar Shah	44,68,833	44,68,833	3.2852	18,82,500	42.1251

8. Management of the Company

As per the Articles of Association, the Company is required to have not less than 3 (three) and not more than 15 (fifteen) Directors.

9. The senior management of the Company comprises of:

Sr. No.	Name of the Employee	Designation
1.	Sachin Shah	Chief Financial Officer
2.	Milind Talegaonkar	Company Secretary

10. Details of the Directors of the Company

Sr. No.	Name, Designation and DIN of Directors	Occupation	Age	Address	Date of Appointment	Other Directorships
1.	Amit Indubhushan Bakshi, Managing Director DIN:01250925	Service	~ 49	01, Amrakadam Co. Op. hou. society, opp. Sukan flats, Ramdevanagar, Satellite, Ahmedabad Gujarat India 380015	27-01-2007	a) Eris M.J. Biopharm Private Limited b) Eris Oaknet Healthcare Private Limited c) Amit Bakshi Foundation
2.	Inderjeet Singh Negi, Whole Time Director DIN:01255388	Service	~53	Block B-51, Riviera elegance, Prahladnagar, Satellite, opp. Auda garden, Corporate road, Ahmedabad Gujarat India 380015	25-01-2007	a) Eris Therapeutics Limited b) Eris Healthcare Private Limited c) Amit Bakshi Foundation

Sr. No.	Name, Designation and DIN of Directors	Occupation	Age	Address	Date of Appointment	Other Directorships
3.	Kaushal Kamlesh Shah, Whole Time Director DIN:01229038	Service	~ 45	6, Venetian Villa, Opp Anand Niketan School, Thaltej Shilaj Road, Thaltej, Ahmedabad Gujarat India 380059	04-08-2020	a) Eris M.J. Biopharm Private Limited b) Eris Therapeutics Limited c) Eris Healthcare Private Limited d) Aprica Healthcare Limited e) Swiss Parenterals Limited
4.	Krishnakumar Vaidyanathan, Whole Time Director DIN:08976508	Service	~ 50	201, Imperial Heights 58 Nargis Dutt Road, Pali Hill, Bandra West Mumbai Maharashtra India 400050	20-12-2020	a) Eris M.J. Biopharm Private Limited b) Eris Oaknet Healthcare Private Limited c) Swiss Parenterals Limited
5.	Kalpana Vasantrai Unadkat, Independent Director DIN:02490816	Service	~ 53	B-3702, FL37,P63,64 Lodha Bellissimio, N.M.Joshi Marg appollo Mill Compound, Mahalaxmi, Jacob Circle, Mumbai Maharashtra India 400011	05-01-2021	a) Avenue Supermarts Limited b) TVS Credit Services Limited
6.	Sujesh Vasudevan, Independent Director DIN:08240092	Service	~ 58	1803, Tower 3, Raheja Tipco Heights, Rani Sati Marg, Near Kathia Wadi Chowk, Malad East Mumbai, Maharashtra, India 400097	25-07-2022	a) Entero Healthcare Solutions Limited b) Hetero Labs Limited
7.	Rajeev Dalal, Independent Director DIN:00222650	Service	~ 66	4C , 4TH Floor, Aditya ChsCHS Ltd., Gulmohar Cross Road No.	19-12-2020	a) PL Capital Markets Private Limited b) Alok Radhika Holdings

Sr. No.	Name, Designation and DIN of Directors	Occupation	Age	Address	Date of Appointment	Other Directorships
				6, Smarth Ramdas Marg, Juhu , Vileparle West, Mumbai, Maharashtra India 400049		Private Limited c) Prabhudas Lilladher Advisory Services Private Limited d) Prabhudas Lilladher Financial Services Private Limited
8.	Prashant Gupta, Independent Director DIN:08122641	Service	~ 44	756, Makhan Singh Block Asian Games Village, Andrewsganj, South Delhi, Delhi India-110049	30-04-2018	NIL

11. Details of change in directors in the preceding three financial years and current financial year

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Vijaya Sampath Independent Director DIN- 00641110	03/02/2017	19/07/2022	19/07/2022	NA
Sujesh Vasudevan Independent Director DIN:08240092	25/07/2022	-	-	NA

12. Project cost and means of financing, in case of funding of new projects

Not Applicable

13. Details of any other contingent liabilities of the Company based on the latest audited financial statements including amount and nature of liability

Particulars	As at	As at

	March 31, 2023	March 31, 2022
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	182.42	173.52
Notices regarding Income-tax matters	1.06	1.06
Others (Includes ` 50 million (Previous year ` Nil {refer note 6})	70.38	68.83

Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ` 8.40 million (Previous year `28.92 million).

14. The amount of corporate guarantee or letter of comfort issued by the Company along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued.

Sr. No.	Company name	Nature of Counterparty	Nature of facility	Amount sanctioned (in INR million)	Amount outstanding
1	Eris Therapeutics Limited	Wholly Owned Subsidiary	Term Loan+ Working Capital Loan	3,050	2,798
Total				3,050	2,798

15. Key Operational and financial parameters for the last three audited years

For Non-Financial Sector Entities

Standalone basis:

Standalone **(` in million)**

Balance Sheet	FY 24	FY 23	FY 22
Property, Plant and Equipment (including Capital Work in Progress and Investment Property)	1,482.49	1,523.99	1,460.14
Intangible Assets (including Intangible Assets under Development)	13,679.17	7,457.57	4,989.71

Financial Assets (Current and non- current)	32,113.93	13,986.86	10,881.11
Other Non-Current assets	3,301.34	2,855.36	2,400.41
Current assets	2,918.75	2,012.80	1,772.79
Total Assets	**53,495.68**	**27,836.58**	**21,504.16**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	25,294.49	3,168.71	-
- Other Financial Liabilities	1,933.53	1,327.31	1,409.28
Non-Current Liabilities	13.84	18.21	22.82
Current Liabilities	188.03	208.61	220.30
Provisions	1,000.30	894.90	666.20
Total Liabilities	**28,430.19**	**5,617.74**	**2,318.60**
Equity (Equity Share Capital and Other Equity)	25,065.49	22,218.84	19,185.56
Total Equity and Liabilities	**53,495.68**	**27,836.58**	**21,504.16**
Profit and Loss	**FY 24**	**FY 23**	**FY 22**
Total revenue from operations	14,867.06	13,307.25	12,157.30
Other Income	348.28	172.64	289.89
Total Income	**15,215.34**	**13,479.89**	**12,447.19**
Total Expenses	**10,328.92**	**8,256.11**	**7,317.35**
Profit/ loss for the period	4,886.42	5,223.78	5,129.84
Other Comprehensive income	-27.58	-1.49	-10.05
Total Comprehensive Income	**4,858.84**	**5,222.29**	**5,119.79**
Earnings per equity share:			
(a) basic; and	20.75	29.27	30.70
(b) diluted	20.73	29.23	30.70
Cash Flow	**FY 24**	**FY 23**	**FY 22**
Net cash (used in)/ generated from operating activities (A)	3,357.26	3,223.28	3,694.12
Net cash (used in)/ generated from investing activities (B)	-24,913.26	-5,132.96	-2,676.36
Net cash (used in)/ generated from financing activities (C)	21,600.55	1,937.46	-884.20
Net Increase/ (decrease) in Cash and Cash Equivalents	44.55	27.78	133.56
Opening Balance of cash and cash equivalents Equivalents	474.80	447.04	313.48
Cash and cash equivalents at end of the period	519.35	474.82	447.04

Consolidated Basis

Consolidated Basis **(` in million)**

Balance Sheet	**FY 24**	**FY 23**	**FY 22**

Property, Plant and Equipment (including Capital Work in Progress and Investment Property)	5,236.53	3,773.79	1,918.57
Intangible Assets (including Intangible Assets under Development)	38,235.38	22,124.45	7,530.72
Financial Assets (Current and non- current)	18,563.50	4,012.48	8,314.94
Other Non-Current assets	3,736.59	2,974.72	2,717.20
Current assets	4,716.37	3,787.84	2,239.96
Total Assets	**70,488.37**	**36,673.28**	**22,721.39**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	27,352.67	8,300.16	450.11
- Other Financial Liabilities	3,440.13	2,084.97	1,727.88
Non-Current Liabilities	5,442.02	2,689.60	483.76
Current Liabilities	885.52	256.22	265.90
Provisions	1,147.72	1,135.56	711.71
Total Liabilities	**38,268.06**	**14,466.51**	**3,639.36**
Equity (Equity Share Capital and Other Equity)(Including NCI)	32,220.31	22,206.77	19,082.03
Total Equity and Liabilities	**70,488.37**	**36,673.28**	**22,721.39**
Profit and Loss	**FY 24**	**FY 23**	**FY 22**
Total revenue from operations	20,091.43	16,851.49	13,470.43
Other Income	238.15	111.53	260.94
Total Income	**20,329.58**	**16,963.02**	**13,731.37**
Total Expenses	**16,017.19**	**12,916.59**	**9,309.39**
Profit / loss for the period	4,312.39	4,046.43	4,421.98
Other Comprehensive income	-30.51	0.59	-9.82
Total Comprehensive Income	**4,281.88**	**4,047.02**	**4,412.16**
Earnings per equity share:			
(a) basic; and	28.82	28.10	29.89
(b) diluted	28.79	28.07	29.88
Cash Flow	**FY 24**	**FY 23**	**FY 22**
Net cash (used in)/ generated from operating activities (A)	4,860.06	2,917.38	3,782.64
Net cash (used in) / generated from investing activities (B)	-18,275.62	-9,746.11	-3,196.10
Net cash (used in)/ generated from financing activities (C)	13,797.79	6,880.25	-446.99
Net Increase/ (decrease) in Cash and Cash Equivalents	**382.23**	**51.52**	**139.55**
Opening Balance of Cash and Cash Equivalents	560.22	508.70	369.15
Cash and cash equivalents at end of	**942.45**	**560.22**	**508.70**

the period			

Additional information	FY 24	FY 23	FY 22
Net worth	32,220.31	22,206.77	19,082.03
Cash and Cash Equivalents	942.45	560.22	508.70
Current Investments	0.02	300.07	995.48
Net Sales	19,912.95	16,618.16	13,261.68
Earnings before interest, taxes, depreciation, and amortization	6,986.45	5,478.99	5,110.49
Earnings before interest and taxes	5,160.40	4,308.11	4,463.44
Dividend amounts	-	999.40	816.54
Debt equity ratio	0.86	0.39	0.04
Debt service coverage ratio	3.56	13.92	108.19
Interest service coverage ratio	6.09	16.46	107.66
Current ratio	0.91	1.73	3.14
Long term debt to working capital	1.62	1.81	0.20
Current liability ratio - current liabilities/non-current liabilities	1.96	0.44	1.22
Total debts to total assets	0.39	0.24	0.04

Debt: equity ratio prior to and after issue of the debt security

Before the issue of debt securities	0.86
After the issue of debt securities	1.25

16. Additional Disclosures and Reports - Disclosure under paragraphs (a) to (d) below, if applicable, will be added in the relevant Key Information Document

(a) If the proceeds, or any part of the proceeds, of the Issue are or is to be applied directly or indirectly:

(i) in the purchase of any business; or

in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the Company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the Key Information Document) upon –

A. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the Key Information Document; and

B. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the Key Information Document.

(b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

(i) the names, addresses, descriptions and occupations of the vendors: *As provided in the relevant Key Information Document.*

(ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill: *As provided in the relevant Key Information Document.*

(iii) the nature of the title or interest in such property proposed to be acquired by the company: *As provided in the relevant Key Information Document.*

(iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction: *As provided in the relevant Key Information Document.*

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

(c) If:

(i) the proceeds, or any part of the proceeds, of the Issue are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the Company of shares in any other body corporate; and

(ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Company, a report shall be made by a Chartered Accountant (who shall be named in the Key Information Document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

(d) The said report shall:

(i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

(e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default: NA

(f) The aggregate number of securities of the Company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the Company, and by the directors of the Company and their relatives, within six months immediately preceding the date of filing this General Information Document with the Registrar of Companies:

Sr. No.	**Name of Promoter/Director**	**Name of Company**	**Sell/Purchase**	**Date of Sell/Purchase**	**No. of Securities**
1.	Mr. Amit Indubhushan Bakshi	Swiss Parenterals Limited	Sell	18-04-2024	2,65,127
2.	Mr. Inderjeet Singh Negi	Swiss Parenterals Limited	Sell	18-04-2024	2,65,127
3.	Mr. Kaushal Kamlesh Shah	Swiss Parenterals Limited	Sell	18-04-2024	2,65,127
4.	Mr. Rajendra Rambhai Patel	Swiss Parenterals Limited	Sell	18-04-2024	2,65,127

(g) The matters relating to:

(i) Material Contracts: By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts disclosed in the relevant Key Information Document(s) (not being contracts entered into in the ordinary course of the

business carried on by the Company) which are or may be deemed to be material for the relevant Issue have been entered into by the Company.

(a) Memorandum and Articles of Association of the Company;

(b) Certificate of Incorporation of the Company dated 25 January 2007;

(c) Board resolution for approval of issuance dated May 21, 2024;

(d) Shareholders resolution dated February 03, 2017 under Section 180(1)(c) of the Companies Act 2013;

(e) Appointment of Registrar for debt issuance dated May 23, 2024;

(f) Credit rating letter (as mentioned) in the relevant Key information Document issued by the Rating Agency;

(g) In-principal approval dated 29 May 2024 received from BSE;

(h) Letter dated May 24, 2024, from the Registrar and Transfer Agent; and

(i) Letter dated May 24, 2024, appointing Axis Trustee Services Limited, as trustee for the benefit of the Debenture Holders.

(ii) Time and place at which the contracts together with documents will be available for inspection from the date of the issue document until the date of closing of subscription list: Copies of the contracts and documents referred to above may be inspected at the Registered Office of the Company between 10:00 a.m. and 12:00 noon on any working day until the Deemed Date of Allotment.

17. Creation of Debenture Redemption Reserve (DRR) / Capital Redemption Reserve (CRR) - relevant legislations and applicability

Not applicable.

18. Issue/instrument specific regulations - relevant details

The issuance has been made in compliance with the Companies Act, 2013 and regulations thereunder, SEBI Debt Regulations and the Master Circular, if any other issue specific regulations are applicable such regulations will be provided under the relevant Key Information Document.

19. Default in payment

As provided under the relevant Key Information Document

20. Details of Default in repayment

Details of default and non-payment for the preceding three financial years and the current financial year, if any, including therein the amount involved, duration of default and present status, in repayment of:

(a) statutory dues: NIL
(b) debentures and interest thereon: NIL

(c) deposits and interest thereon: NIL

(d) loan from any bank or financial institution and interest thereon: NIL

21. Delay in listing

In case of delay in listing of the Debentures beyond the timelines prescribed in the SEBI Debt Regulations, the Company will pay penal interest of 1 % p.a. over the applicable Coupon Rate for the period of delay (from the date of allotment to the date of listing) to the investor.

22. Delay in allotment of securities

Please refer to the relevant Key Information Document..

23. Issue/ instrument specific regulations:

The issuance has been made in compliance with the Companies Act, 2013 and regulations thereunder, SEBI Debt Regulations and the Master Circular, if any other issue specific regulations are applicable such regulations will be provided under the relevant Key Information Document.

24. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project

Not Applicable

25. Compliance officer of the Company

Mr. Milind Talegaonkar
Address: Shivarth Ambit, Plot No. 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380054
Email: complianceofficer@erislifesciences.com
Tel No.: 07969661000
Fax No.: 07969661155

Investors can contact the compliance officer in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allotment, if any, etc. in the respective beneficiary account or refund orders, etc.

26. Debenture Trustee of the Issue: The Debenture Trustee for the issuance of each Issue will be identified in the relevant Key Information Document.

27. Rating Agency of the Issue As per the relevant Key Information Document.

28. Legal Counsel of the Company (if any) - As per Key Information Document

29. Legal Counsel of the Arrangers (if any) - As per Key Information Document

30. Guarantor (if applicable) - As per Key Information Document

31. Arrangers - As per Key Information Document

32. Additional details with respect to auditors of the Company

Name	Address	Date of appointment
Deloitte Haskins & Sells LLP Chartered Accountants Firm registration no.: 117366W/W-100018	Address: 19th floor, Shapath V, Sarkhej - Gandhinagar Hwy, opp. Karnavati Club Road, Prahlad Nagar, Ahmedabad, Gujarat 380015 Tel. No.: +91 79 6682 7300 Fax No.: +91 79 6682 7400	September 01, 2021

33. Details of change in auditor for preceding three financial years and current financial year:

Name	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
Not Applicable				

34. Recognised stock exchange where the debt securities are proposed to be listed

The Debentures are proposed to be listed on the whole debt market segment of BSE. The Company has obtained an "in-principle" approval for listing from BSE on 29 May 2024. Please refer to Annexure 2 (*In-Principle Listing Approval*) for a copy of the in-principle approval.
The details of the stock exchange are as provided below:
Bombay Stock Exchange

Tel No.: 91-22-22721233/4, 91-22-66545695
Fax No.: 91-22-22721919
Website: https://www.bseindia.com/

Details of listing of Commercial Papers shall be included in the relevant Key Information Document.

35. Expenses of the Issue

Expenses of the Issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

(a) Lead manager(s) fees: Not Applicable.

(b) Underwriting commission: As provided in the relevant Key Information Document.

(c) Brokerage, selling commission and upload fees: As provided in the relevant Key Information Document.

(d) Fees payable to the registrars to the issue: As provided in the relevant Key Information Document.

(e) Fees payable to the legal Advisors: As provided in the relevant Key Information Document.

(f) Advertising and marketing expenses: As provided in the relevant Key Information Document.

(g) Fees payable to the regulators including stock exchanges: As provided in the relevant Key Information Document.

(h) Expenses incurred on printing and distribution of issue stationary: As provided in the relevant Key Information Document.

(i) Any other fees, commission or payments under whatever nomenclature: As provided in the relevant Key Information Document**.**

36. Details of any default in annual filing of the company under the Companies Act, 2013 or the rules made thereunder:

Not Applicable

37. Consents

Consents in writing of:
(a) Directors of the Company – Received;
(b) Statutory Auditor – to be obtained
(c) Debenture Trustee – Received;
(d) Legal Counsel for the Issue – As per the relevant Key Information Document ,
(e) Bankers to the Issuer – Not applicable,
(f) Registrar to the Issue- Received;
(g) Lenders– Not Applicable
(h) Experts, have been obtained from them – Not applicable.

38. The name of the Debentures Trustee shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee: As specified in the relevant Key Information Document.

SECTION IV - RISK FACTORS

Risk Factors

Investment in non-convertible debentures and/or commercial papers is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 'Risk Factor' of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible debentures and/or commercial papers or investor's decision to purchase such securities.

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their examination of the Company and offer including the risks involved in it. The securities have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of the investors is invited to the statement of risk factors set out below.

The risks and uncertainties described in this section are not the only risks that the Company currently faces. Additional risks and uncertainties not presently known to the Company may also have an adverse effect on the Company's business, results of operations and financial condition. If any particular or some combinations of the following risks or other risks that are not currently known actually occur, the business prospects, results of operations and financial condition of the Company could be adversely affected. The actual occurrence of such risks will also affect the trading price of the Debt Securities and the value of your investment could decline or be lost.

Risk Factors in relation to the Debt Securities

1. ***Receipt of coupon or principal is subject to the credit risk of the Company.***

Investors should be aware that the receipt of any coupon payment and principal amount at maturity is subject to the credit risk of the Company. Any stated credit rating of the Company reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Company. Any downgrading of the credit ratings of the Company by the rating agency may lower the value of the Debt Securities.

2. ***Interest Rate Risk***

All securities where a fixed rate of interest is offered are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fluctuation in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Any increase in rates of interest is likely to have a negative effect on the price of the Debt Securities.

3. ***Downgrading in credit rating***

The Company cannot guarantee that any rating of Debt Securities issued by a rating agency will not be downgraded. Such a downgrade in the credit rating may lower the value of the Debt Securities and may also affect the Company's ability to raise further debts.

4. ***The Debt Securities may not be a suitable investment for all investors***

Potential investors should ensure that they understand the nature of the Debt Securities and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers such as legal, tax, accounting and other advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debt Securities and that they consider the suitability of the Debt Securities as an investment in the light of their own circumstances and financial condition. These risks may include, among others, equity market risks, debenture market risks, interest rate risks, market volatility and economic, political and regulatory risks and any combination of these and other risks.

5. ***Exercise of powers by the Debenture Trustee is subject to equitable principles and supervisory powers of courts***

The exercise by the Debenture Trustee of the powers and remedies conferred on it under the Debentures and the Transaction Documents or otherwise vested in it by law, will be subject to general equitable principles regarding the enforcement of security, the general supervisory powers and discretion of the Indian courts in the context thereof and the obtaining of any necessary governmental or regulatory consents, approvals, authorisations or orders.

6. ***Taxation***

Potential purchasers and sellers of the Debt Securities should be aware that they may be required to pay taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debt Securities will be conditional upon the payment of all applicable taxes, duties and/or expenses.

Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Risk Factors in relation to the Company

1. ***Any disruption in production at, or shutdown of, our manufacturing facility could adversely affect our business, results of operations and financial condition.***

In the event that there are any disruptions at our Assam Facility due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, or any significant social, political or economic disturbances, our ability to manufacture certain products may be adversely affected. Disruptions in our manufacturing activities could delay production or require us to shut down our manufacturing facility. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our Assam Facility to cease, or limit, production until the disputes concerning such approvals are resolved. As regulatory approvals for manufacturing drugs are site specific, we may be unable to transfer manufacturing activities to another location immediately. Further, while we have not experienced any strikes or labour unrest at the Assam Facility, or otherwise, in the past, we cannot assure you that we will not experience work disruptions in the future due to disputes or other problems with our work force. Any labour unrest may hinder our normal

operating activities and lead to disruptions in our operations, which could adversely affect our business, results of operations, financial condition and cash flows.

2. ***We rely on certain third party manufacturers for manufacturing some of our products. In the event the manufacturing facilities of our third party manufacturers cease to be available to us at terms acceptable to us, or we experience problems with, or interruptions at such facilities, our business, results of operations and financial condition may be adversely affected.***

We rely on certain third party manufacturers for manufacturing some of our products. In the event that there are any delays or disruptions in the manufacturing facilities of such third party manufacturers, our ability to deliver certain products may be affected. Any of our third party manufacturers' failure to adhere to contractually agreed timelines, whether due to their inability to comply with, or obtain, regulatory approvals, or otherwise, may result in delays and disruptions to our supplies, increased costs, delayed payments for our products and damage to our reputation leading to an adverse effect on our results of operations.

While our third party manufacturers typically indemnify us for losses caused due to their negligent acts, such manufacturers may not have adequate financial resources to meet their indemnity obligations to us under their respective manufacturing agreements. In the event these third party manufacturing facilities cease to be available to us at terms acceptable to us or we experience problems with, or interruptions in, such services or facilities, and we are unable to find other facilities to provide similar manufacturing capacity on comparable terms and on a timely basis, our operations may be disrupted and our results of operations and financial condition may be adversely affected.

3. ***Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***

Raw materials, including packaging materials, are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions.
We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price. Any increase in raw material prices may result in corresponding increases in our product costs. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to customers in an efficient, reliable and timely manner, and adversely affect our business, results of operations and financial condition.

4. ***Any quality control problems at our manufacturing facility or those of our third party manufacturers may damage our reputation and expose us to litigation or other liabilities, which could adversely affect our results of operations and financial condition.***

Manufacturers of pharmaceutical products in India are subject to significant regulatory scrutiny. We own and operate our Assam Facility and use third party manufacturers for the manufacture of some of our products. We, and our third party manufacturers, must register, and manufacture products in these facilities, in accordance with the good manufacturing practices ("**GMP**") stipulated by the state level food and drug administrations, the Drugs Controller General of India

("**DCGI**"), Central Drugs Standard Control Organization of India ("**CDSCO**") and other regulatory agencies.

Further, we are liable for the quality of our products for the entire duration of the shelf life of the product whether manufactured by us, or our third party manufacturers. After our products reach the market, certain developments could adversely affect demand for our products, including any contamination of our products by intermediaries, re-review of products that are already marketed, new scientific information, greater scrutiny in advertising and promotion, the discovery of previously unknown side effects or the recall or loss of approval of products that we manufacture, market or sell. Further, disputes over non-conformity of our products with applicable quality standards or specifications are generally referred to government approved independent testing laboratories. If any such independent laboratory confirms that our products do not conform to the prescribed or agreed standards and specifications, we may have to bear the expenses of recalling, replacing and testing such products.

Additionally, the use of third party manufacturers is subject to certain risks, such as our inability to continuously monitor the quality, safety and manufacturing processes at such third party manufacturing facilities. While we have stipulated quality assurance and quality control standards for our third party manufacturers, we cannot assure you that we will be able to maintain high quality standards in respect of the products that such third party manufacturers provide us. Although our agreements with third party manufacturers typically contain provisions which would indemnify us for the costs, expenses and damages in the event of a recall of a particular drug due to its failure to retain its potency during its shelf life, we cannot assure you that our third party manufacturers will have adequate financial resources to meet their indemnity obligations to us, which could adversely affect our business, results of operations and financial condition.

5. ***The Indian pharmaceutical market is subject to extensive regulation and any failure to comply with the applicable regulations prescribed by central and state governments and regulatory agencies in India or failure to obtain or renew any licenses and permits, could adversely affect our business, results of operations and financial condition.***

We operate in a highly regulated industry and our operations are subject to extensive regulation governing the Indian pharmaceutical market. Regulatory authorities must approve our products before we can market them. Applicable regulations have become increasingly stringent, a trend which may continue in the future. The penalties for non-compliance with these regulations can be severe, including the revocation or suspension of our business license, imposition of fines and criminal sanctions in those jurisdictions.

Further, we have ongoing obligations to regulatory authorities, such as the CDSCO, state level food and drug administrations, the DCGI and the central narcotics commissioner**,** both before and after a product's commercial release. Regulatory agencies may at any time inspect our Assam Facility or those of our third party manufacturers and the quality of our products. If any inspection or quality assessment results in observations or sanctions, the relevant regulator may amend or withdraw our existing approvals to manufacture and market our products, which could adversely affect our business, financial condition, and results of operations. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for the manufacturing and marketing new products. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations, and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products or impose fines upon us.

6. ***If any of our products cause, or are perceived to cause, severe side effects, our reputation, and revenues could be adversely affected.***

Our products may cause severe side effects as a result of a number of factors, many of which may be outside our control. These factors, which may become evident only when they are introduced into the marketplace, include potential side effects not revealed in clinical testing, unusual but severe side effects in isolated cases, defective products not detected by our quality management system or misuse of our products by consumers. Our products may also be perceived to cause severe side effects when a conclusive determination as to the cause of the severe side effects is not obtained or is unobtainable. In addition, our products may be perceived to cause severe side effects if other pharmaceutical companies' products containing the same or similar APIs, raw materials or delivery technologies as our products cause or are perceived to have caused severe side effects, or if one or more regulators, determines that products containing the same or similar pharmaceutical ingredients as our products could cause or lead to severe side effects.

If our products cause, or are perceived to cause, severe side effects, we may face a number of consequences, including:

- injury or death of patients (whether during clinical trials undertaken by us or after such products are introduced into the market);
- a severe decrease in the demand for, and sales of, the relevant products;
- the recall or withdrawal of the relevant products;
- withdrawal or cancellation of regulatory approvals for the relevant products or the relevant production facility;
- damage to the brand name of our products and our reputation; and
- exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions.

As a result of these consequences, our reputation and revenues may be adversely affected.

7. ***Significant disruptions of information technology systems or breaches of data security could adversely affect our business.***

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. The size and complexity of our computer systems may make them potentially vulnerable to breakdown, malicious intrusion, and computer viruses. Any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations.

8. ***Some of the properties used by our Company including our Corporate Office are occupied by our Company on lease basis. Any termination of the lease(s) or our failure to renew the same in a favorable, timely manner, or at all, could adversely affect our activities.***

Currently, certain of the properties used by our Company, including our Corporate Office are

on lease basis. Termination of leases or other relevant agreements in connection with premises which are not owned by us, or our failure to renew the same, on favorable conditions and in a timely manner, or at all, could require us to vacate such premises at short notice, and could adversely affect our business and financial condition. We cannot assure you that we will be able to renew any such leases when the term of the original lease expires, on similar terms or terms reasonable for us or that such leases will not be prematurely terminated (including for reasons that may be beyond our control).

9. ***The availability of counterfeit drugs, such as drugs passed off by others as our products, could adversely affect our goodwill and results of operations.***

Entities in India and abroad could pass off their own products as ours, including counterfeit or pirated products. For example, certain entities could imitate our brand name, packaging materials or attempt to create look-alike products. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. We are also engaged in various activities to prevent counterfeit versions of our products from being distributed in the markets. Such measures include, monitoring products in the market and initiating actions against counterfeiters, each of which entails incurring significant costs at our end. The proliferation of counterfeit and pirated products, and the time and attention lost to making claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition.

10. ***Our inability to protect or use our intellectual property rights may adversely affect our business, results of operation and financial condition.***

Our brand names and trademarks are significant to our business and operations. We believe that several of the brand names of our products have significant brand recognition in their respective therapeutic areas. The use of our brand names or logos by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations.

Obtaining, protecting and defending intellectual property rights can be time consuming and expensive, and may require us to incur substantial costs, including the diversion of the time and resources of management and technical personnel. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

Risks in Relation to Indian Market, Economy and Political Situation

1. ***Future legal and regulatory obstructions***

The central and state governments serve multiple roles in the Indian economy, including producers, consumers and regulators, which may have a significant influence on the Company. Future government policies and changes in laws and regulations in India, including applicable foreign exchange laws and comments, statements, policy changes or any adverse interpretation of applicable law by any regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debt Securities. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement, policy change or adverse interpretation by any regulator could have an adverse effect on the market for and the price of the Debt Securities.

Further, the SEBI, the Stock Exchange, the ROC or other regulatory authorities may require clarifications on this General Information Document, which may cause a delay in the issuance of the Debt Securities or may result in the Debt Securities being materially affected or even rejected.

2. ***Terrorist attacks, civil unrest, regional conflicts and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have a material adverse effect on the Company's business, financial condition and results of operations.***

Certain events that are beyond the control of the Company such as terrorist attacks and other acts of violence or war may negatively affect the Indian markets and also adversely affect the worldwide financial markets and could potentially lead to a severe economic recession. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately adversely affect the Company's business. India has experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, the Company's business may be adversely affected. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, as well as other acts of violence or war could influence the Indian economy by creating a greater perception that investments in India involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest in India, could influence the economy and could have a material adverse effect on the market for securities of Indian companies.

3. ***India is vulnerable to natural disasters that could severely disrupt normal business operations.***

India has experienced natural calamities, such as tsunamis, floods, cyclones, droughts and earthquakes in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy and infrastructure. Unforeseen circumstances of below normal rainfall and other natural calamities could also have a negative impact on the Indian economy. Because the Company's business and operations could be interrupted or delayed as a result of a natural disaster in India, such natural disasters could affect its business, financial condition and results of operations.

Risks in relation to the security created in relation to the debt securities, if any

The Debentures are proposed to be secured by the assets described in the relevant KID. In the event that we are unable to meet our payment and other obligations towards potential investors under the terms of the Debentures, the Debenture Trustee may enforce the security. The potential investors' recovery in relation to the Debentures will be inter alia subject to: (i) the market value of the underlying security; and (ii) finding a willing buyer for such security at a price sufficient to repay the amounts due and payable to the potential investors' amounts outstanding under the Debentures.

Refusal of listing of any security of the Company during preceding three financial years and the current financial year by any of the stock exchanges in India or abroad

Not Applicable

Limited or sporadic trading of non-convertible securities of the Company on the stock exchanges

The Debt Securities may be Illiquid

It is not possible to predict if and to what extent a secondary market may develop in the Debt Securities or at what price the Debt Securities will trade in the secondary market or whether such market will be liquid or illiquid. As specified in this General Information Document, an application has been made to list the Debt Securities within prescribed timelines and an in-principle approval has been obtained. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debt Securities may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Company may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable

No Default has occurred.

If secured, any risks in relation to maintenance of security cover or full recovery of the security in case of enforcement

In case of issue of secured debentures, in the event that the value of the assets proposed to be secured is reduced, the assets may not be sufficient to maintain the security cover required under the SEBI Debt Regulations.

Further while the Debentures are secured against a charge to the tune of 100% of the principal and interest amount in favour of the Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

SECTION V - PARTICULARS OF THE OFFER

1. Authority for the placement

The shareholders of the Company have vide a resolution dated February 03, 2017 approved the borrowing limit upto 2000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. The particulars of the offer in relation to the Debentures shall be as described in the relevant Key Information Document.

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year)	As per the relevant Key Information Document
Issuer	Eris Lifesciences Limited
Type of Instrument	Listed, rated non-convertible debentures and/or commercial papers as more particularly described in the relevant Key Information Document
Nature of Instrument (Secured or Unsecured)	As per the relevant Key Information Document
Seniority (Senior or Subordinated)	As per the relevant Key Information Document
Eligible Investors	As per the relevant Key Information Document
Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	As per the relevant Key Information Document
Rating of the Instrument	As per the relevant Key Information Document
Issue Size	As per the relevant Key Information Document
Minimum Subscription	As per the relevant Key Information Document
Option to retain oversubscription (Amount)	As per the relevant Key Information Document
Objects of the Issue/ Purpose for which there is requirement of funds	As per the relevant Key Information Document
In case the Issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the format provided in the SEBI Debt Regulations.	As per the relevant Key Information Document
Details of the utilisation of the Proceeds	As per the relevant Key Information Document
Interest Rate Parameter	As per the relevant Key Information Document
Coupon / Dividend Rate	As per the relevant Key Information Document
Step Up/Step Down Coupon Rate	As per the relevant Key Information Document
Coupon/ Dividend Payment Frequency	As per the relevant Key Information Document
Coupon/ Dividend Payment Dates	As per the relevant Key Information Document
Cumulative/ non cumulative, in	As per the relevant Key Information Document

case of dividend	
Coupon Type (*Fixed, floating or other structure)*	As per the relevant Key Information Document
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	As per the relevant Key Information Document
Day Count Basis (Actual/ Actual)	Actual/ actual
Interest on Application Money	NA
Default Interest Rate	If: (a) the Issuer fails to list the Debentures on the BSE within 3 (three) working days from the Issue Closing Date or such other timeline as statutorily prescribed, then the Issuer shall pay Coupon on the Debentures at a rate which is 1% (one per cent) (or such other rate prescribed statutorily) over and above the applicable Coupon Rate for the period from the expiry of 3 (three) trading days from the Issue Closing Date till the final listing approval of Debentures is obtained from the BSE; (b) the Issuer fails to execute the Debenture Trust Deed to the satisfaction of the Arranger, prior to the filing of listing application to BSE, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% (two per cent) (or such other rate prescribed statutorily) over and above the applicable Coupon Rate for the period from the Deemed Date of Allotment till the Debenture Trust Deed is executed to the satisfaction of the Trustee (acting on the instructions of the Debenture-holders); and (c)As per the relevant Key Information Document
Tenor	As per the relevant Key Information Document
Redemption Date(s)	As per the relevant Key Information Document
Redemption Amount	As per the relevant Key Information Document
Redemption Premium /Discount	As per the relevant Key Information Document
Issue Price	As per the relevant Key Information Document
Discount at which security is issued and the effective yield as a result of such discount.	As per the relevant Key Information Document
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount.	As per the relevant Key Information Document
Put Date	As per the relevant Key Information Document
Put Price	As per the relevant Key Information Document
Call Date	As per the relevant Key Information Document
Call Price	As per the relevant Key Information Document
Put Notification Time (Timelines by which the investor needs to intimate the Company before exercising the put)	As per the relevant Key Information Document

Call Notification Time (Timelines by which the Company needs to intimate the investors before exercising the call)	As per the relevant Key Information Document
Face Value	INR 100,000 per Debenture (in relation to the Debentures) or such other face value as permitted under the applicable law.
Minimum Application and in multiples of thereafter	1 Debenture and in multiples of 1 Debenture thereafter
Issue Timing **1. Issue Opening Date** **2. Issue Closing Date** **3. Date of Earliest Closing of the Issue, if any** **4. Pay-in Date** **5. Deemed Date of Allotment**	As per the relevant Key Information Document
Settlement mode of the Instrument	All payments must be made by ECS, NEFT, RTGS, or such other online payment mechanism permitted under the SEBI Debt Regulations.
Depository	NSDL or CDSL, as the context may require.
Disclosure of Interest/ Dividend/ Redemption Dates	As per the relevant Key Information Document
Record Date	As per the relevant Key Information Document
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As per the relevant Key Information Document
Description regarding Security (where applicable) (including, type of security (movable/ immovable/ tangible/ intangible etc.), type of charge (pledge/ hypothecation/ mortgage/ etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the General Information Document)	As per the relevant Key Information Document
Transaction Documents	As per the relevant Key Information Document
Conditions Precedent to Disbursement	As set out in the relevant Key Information Document.
Condition Subsequent to Disbursement	As per the relevant Key Information Document
Event of Default (including manner of voting/ conditions of joining inter creditor agreement)	As per the relevant Key Information Document

Creation of recovery expense fund	As per the relevant Key Information Document
Conditions for breach of covenants (as specified in Debenture Trust Deed)	As per the relevant Key Information Document
Provisions related to Cross Default Clause	As per the relevant Key Information Document
Role and Responsibilities of Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI Debt Regulations, the Companies Act, the simplified listing agreement(s), each as amended from time to time, the Debenture Trust Deed and the Debenture Trustee Agreement, as more particularly described in the relevant Key Information Document.
Risk factors pertaining to the issue	The risk factors can be referred from the Section 'Risk Factor' of this General Information Document
Governing Law and Jurisdiction	As per the relevant Key Information Document
Manner of bidding in the Issue, i.e., open bidding or closed bidding	As per the relevant Key Information Document
Manner of allotment in the Issue i.e. uniform yield allotment or multiple yield allotment	As per the relevant Key Information Document
Manner of settlement in the Issue i.e. through clearing corporation or through escrow bank account of the Issuer	As per the relevant Key Information Document
Settlement cycle i.e. T+1 or T+2 day	As per the relevant Key Information Document
Issuance mode of the Instrument	Dematerialized form
Trading mode of the Instrument	Dematerialized form
Business Day Convention	As per the relevant Key Information Document
Terms and conditions of the debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture	As per the relevant Key Information Document.
Details of consents/ permissions, if any, required for security creation	As per the relevant Key Information Document

Notes:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and the events which lead to such change should be disclosed.

2. The list of documents which have been executed in connection with the issue and subscription of

debt securities shall be annexed to the Key Information Document.

3. While the Debentures are secured to the extent of 100% of the amount of principal and interest or as per the terms of the relevant Key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

4. Debentures shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

2. Financial position of the Company for the last 3 financial years

The audited financials for the last 3 financial years are attached in Annexure 8 (*Audited Financial Statements and Auditors' Reports*). Please refer to the key operational and financial parameters for the last three audited years in Annexure 8 of this General Information Document

(a) **The day count convention for dates on which the payments in relation to the Debt Securities which need to be made:** Actual / Actual

(b) **Procedure and time schedule for allotment and issue of securities:** As per the Key Information Document

(c) **Illustration of Debenture Cash Flows:** As per the Master Circular, the cash flows emanating from the Debt Securities by way of an illustration- As per the Key Information Document

(d) **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the General Information Document and / or the relevant Key Information Document.:** As set out in the relevant Key Information Document.

(e) **Application Process:** As set out in the relevant Key Information Document.

3. Disclosure with regard to the Interest of Directors, Litigation etc.

(a) Any financial or other material interest of the directors, promoters or key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons
Not Applicable

(b) Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority/body or a regulatory body against any promoter of the offeree company during the three years immediately preceding the year of the circulation of the General Information Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed
Not Applicable

(c) Details of remuneration of directors, and such particulars of the nature and extent of their interests in the Company (during the current year and preceding three financial years) as the date of this General Information Document:

Sr. No.	Particulars	Current Financial Year (as on the Cut Off Date)	FY 2023-24	FY 2022-23	FY 2021-22
i.	**Remuneration payable or paid to a director by the Company, its subsidiary or associate company;**				
	Mr. Amit Indubhushan Bakshi	81,89,441	4,91,36,648	4,91,36,648	4,63,59,936
	Mr. Inderjeet Singh Negi	21,26,591	1,27,59,544	1,27,59,544	1,20,37,599
	Mr. Kaushal Kamlesh Shah	12,25,356	73,52,136	73,52,136	69,35,629
	Mr. Krishnakumar Vaidyanathan	75,37,342	4,52,24,052	4,52,24,052	4,02,25,015
	Ms. Kalpana Vasantrai Unadkat	8,25,000	45,06,042	45,25,000	44,75,000
	Mr. Sujesh Vasudevan	6,75,000	49,50,000	28,17,463	-
	Mr. Rajeev Dalal	7,50,000	46,50,000	42,00,000	36,75,000
	Mr. Prashant Gupta	7,50,000	41,25,000	39,75,000	61,75,000
	Ms. Vijaya Sampath	-	-	12,78,226	64,00,000
	Shareholding of the director in the Company, its subsidiaries and associate companies on a fully diluted basis;				
	Name of the Company	**Name of the Director**	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
	Eris Lifesciences Limited	Mr. Amit Indubhushan Bakshi	58335144 (42.88%)	55535144 (40.83%)	54759132 (40.28%)
		Mr. Inderjeet Singh Negi	5939833 (4.37%)	5939833 (4.37%)	5939833 (4.37%)
		Mr. Kaushal Kamlesh Shah	4468833 (3.28%)	4468833 (3.28%)	4468833 (3.28%)
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	N.A.
		Mr. Rajeev	NIL	NIL	NIL

		Dalal			
		Mr. Prashant Gupta	NIL	NIL	NIL
	Eris Therapeutics Limited	Mr. Amit Indubhushan Bakshi	1*	1*	1*
		Mr. Inderjeet Singh Negi	NIL	NIL	NIL
		Mr. Kaushal Kamlesh Shah	1*	1*	1*
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev Dalal	NIL	NIL	NIL
		Mr. Prashant Gupta	NIL	NIL	NIL
	Eris Healthcare Private Limited	Mr. Amit Indubhushan Bakshi	1*	1*	1*
		Mr. Inderjeet Singh Negi	1*	1*	1*
		Mr. Kaushal Kamlesh Shah	1*	1*	1*
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev Dalal	NIL	NIL	NIL
		Mr. Prashant Gupta	NIL	NIL	NIL
	Eris M. J. Biopharm Private Limited	Mr. Amit Indubhushan Bakshi	1*	1*	1*
		Mr. Inderjeet Singh Negi	1*	1*	1*
		Mr. Kaushal Kamlesh	1*	1*	1*

		Shah			
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev Dalal	NIL	NIL	NIL
		Mr. Prashant Gupta	NIL	NIL	NIL
	Aprica Healthcare Limited	Mr. Amit Indubhushan Bakshi	1*	1*	1*
		Mr. Inderjeet Singh Negi	1*	1*	1*
		Mr. Kaushal Kamlesh Shah	1*	1*	1*
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev Dalal	NIL	NIL	NIL
		Mr. Prashant Gupta	NIL	NIL	NIL
	Eris Oaknet Healthcare Private Limited	Mr. Amit Indubhushan Bakshi	NIL	NIL	NIL
		Mr. Inderjeet Singh Negi	1*	1*	1*
		Mr. Kaushal Kamlesh Shah	1*	1*	1*
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev	NIL	NIL	NIL

		Dalal			
		Mr. Prashant Gupta	NIL	NIL	NIL
	Swiss Parenterals Limited	Mr. Amit Indubhushan Bakshi	2,65,128 (4.75%)	NA	NA
		Mr. Inderjeet Singh Negi	2,65,128 (4.75%)	NA	NA
		Mr. Kaushal Kamlesh Shah	2,65,128 (4.75%)	NA	NA
		Mr. Krishnakumar Vaidyanathan	NIL	NA	NA
		Ms. Kalpana Vasantrai Unadkat	NIL	NA	NA
		Mr. Sujesh Vasudevan	NIL	NA	NA
		Mr. Rajeev Dalal	NIL	NA	NA
		Mr. Prashant Gupta	NIL	NA	NA
	Eris Pharmaceuticals Private Limited	Mr. Amit Indubhushan Bakshi	NIL	NIL	NIL
		Mr. Inderjeet Singh Negi	1#	1#	1#
		Mr. Kaushal Kamlesh Shah	1#	1#	1#
		Mr. Krishnakumar Vaidyanathan	NIL	NIL	NIL
		Ms. Kalpana Vasantrai Unadkat	NIL	NIL	NIL
		Mr. Sujesh Vasudevan	NIL	NIL	NIL
		Mr. Rajeev Dalal	NIL	NIL	NIL
		Mr. Prashant Gupta	NIL	NIL	NIL
# Held as nominee of Eris Healthcare Private Limited *Held as nominee of Eris Lifesciences Limited					
ii.	**Appointment of any relatives to an office or place of profit of the Company, its subsidiary or associate company;**				
	In Eris Lifesciences Limited				
	Name of relative	**Current**	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**

		Financial Year (as on the Cut Off Date)			
	Mr. Parv Bakshi *(Son of Mr. Amit Bakshi)*	Designated as General Manager	Designated as General Manager	Designated as General Manager	Designated as Executive Position
	Mr. Sarthak Negi *(Son of Mr. Inderjeet Singh Negi)*	Appointed as Project Manager	Appointed as Project Manager	NA	NA
	In other subsidiary or associate companies				
	Name of relative	**Current Financial Year (as on the Cut Off Date)**	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
	NIL				
iii.	**Full particulars of the nature and extent of interest, if any, of every director:**				
(A)	in the promotion of the Company:				
	N.A.				
(B)	in any immoveable property acquired by the Issuer in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it:				
	N.A.				
(C)	where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Company.				
	N.A.				
iv.	**Contribution being made by the directors as part of the offer or separately in furtherance of such objects.**				
	NIL				

(d) Related party transactions entered during the preceding three financial years immediately preceding the year of circulation of General Information Document and the current financial year including with regard to loans made or, guarantees given or securities provided:

For the Financial Year 2022-23 please refer page no. 236 of Annual Report for the FY 2022-23 as set out in Annexure 9.

For the Financial Year 2021-22 please refer page no. 170 of Annual Report for the FY 2021-22 as set out in Annexure 9.

For the Financial Year 2020-21 please refer page no. 229 of Annual Report for the FY 2020-21 as set out in Annexure 9.

Note: Details of related party transaction for the FY 2023-24 will be available on the relevant website of the Stock Exchange, once the Company files such details with the Stock Exchange.

(e) Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of General Information Document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark:

Sr. No.	Financial Year	Auditors Remark	Impact and Corrective Steps
1.	FY 23-24	Not Applicable	Not Applicable
2.	FY 22-23	Not Applicable	Not Applicable
3.	FY 21-22	Not Applicable	Not Applicable
4.	FY 20-21	Not Applicable	Not Applicable
5.	FY 19-20	Not Applicable	Not Applicable

(f) Details of any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous company law in the last three years immediately preceding the year of circulation of General Information Document in the case of company and all of its subsidiaries.

Not Applicable

(g) Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the General Information Document and if so, section-wise details thereof for the company and all of its subsidiaries

Name of the Company	Name of the court/concerned Authority	Date of Order	Name of the Act and section under which penalized / punished	Details of penalty/ punishment	Details of appeal (if any) including present status
Eris Healthcare Private Limited	Adjudicating Officer Registrar of Companies, Gujarat, Dadra & Nagar Haveli	30/09/2022	Section 117(2) of the Companies Act, 2013 for violation of section 117(1) of the Companies Act, 2013	Rs. 91,000/-	NA

(h) Details of pending litigation involving the Company, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Company, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares.

Not Applicable

(i) Details of pending proceedings initiated against the issuer for economic offences, if any.

Not Applicable

(j) Details of acts of material frauds committed against the company in the preceding three years, preceding three financial years and the current financial year, if any, and if so, the action taken by the company.

Not Applicable

SECTION VI - FINANCIAL POSITION OF THE COMPANY

1. Capital structure of the Company

As on March 31, 2024, the authorized share capital of the Company was Rs. 30,00,00,000 (Rupees Thirty Crores Only) divided into 30,00,00,000 (Thirty Crores) equity shares of Re. 1/- (Rupee One) each, aggregating to Rs. 30,00,00,000 (Rupees Thirty Crores Only). The issued, subscribed, and paid-up share capital was Rs. 13,60,28,280 (Rupees Thirteen Crores Sixty Lakhs Twenty-eight Thousand Two hundred and Eighty Only).

The capital structure of the Company as on the date of this General Information Document is provided below:

Particulars	As of 29 May 2024 Amount (INR)	Number of Securities	As adjusted for the Offering Amount (INR)
Authorised Share Capital	30,00,00,000	30,00,00,000	30,00,00,000
Equity shares	30,00,00,000	30,00,00,000	30,00,00,000
Preference shares	NIL	NIL	NIL
Issued, Subscribed Share Capital	13,60,52,516	13,60,52,516	13,60,52,516
Equity shares	13,60,52,516	13,60,52,516	13,60,52,516
Preference shares	NIL	NIL	NIL
Issued, Subscribed and Paid-Up Share Capital	13,60,52,516	13,60,52,516	13,60,52,516
Equity shares	13,60,52,516	13,60,52,516	13,60,52,516
Preference shares	NIL	NIL	NIL
Size of Present Issue	1250,00,00,000	1,25,000	1250,00,00,000
Non Convertible Debentures	1250,00,00,000	1,25,000	1250,00,00,000
Paid-up Share Capital after the Issue	13,60,52,516	13,60,52,516	13,60,52,516
Equity shares	13,60,52,516	13,60,52,516	13,60,52,516
Preference shares	NIL	NIL	NIL
Paid-up Share Capital after the conversion of any convertible instruments	13,60,52,516	13,60,52,516	13,60,52,516
Equity shares	13,60,52,516	13,60,52,516	13,60,52,516
Preference shares	NIL	NIL	NIL
Share Premium Account before the Issue	18,02,49,889	N.A.	N.A.
Share Premium Account after the Issue	18,02,49,889	N.A.	N.A.

2. Changes in its capital structure as on last quarter end, i.e. March 31, 2024, for the preceding three financial years and current financial year

Sr. No.	Date of Change (GM/BM/Comm.M)	INR	Particulars
1.	13-07-21	82,841	ESOP Allotment by Executive Committee
2.	24-09-21	45,095	ESOP Allotment by Executive Committee
3.	21-12-21	21,608	ESOP Allotment by Executive Committee

4.	14-04-22	27,766	ESOP Allotment by Executive Committee
5.	21-06-22	14,717	ESOP Allotment by Executive Committee
6.	08-09-22	18,037	ESOP Allotment by Executive Committee
7.	01-03-23	1,521	ESOP Allotment by Executive Committee
8.	10-04-23	1,054	ESOP Allotment by Executive Committee
9.	07-07-23	6,305	ESOP Allotment by Executive Committee
10.	07-07-23	6,398	ESOP Allotment by Executive Committee
11.	24-08-23	7,932	ESOP Allotment by Executive Committee
12.	24-08-23	9,321	ESOP Allotment by Executive Committee
13.	22-12-23	2,419	ESOP Allotment by Executive Committee
14.	22-12-23	2,613	ESOP Allotment by Executive Committee
15.	09-04-24	19,186	ESOP Allotment by Executive Committee
16.	22-05-24	5,050	ESOP Allotment by Executive Committee

3. Details of the equity share capital of the Company for the preceding three financial years and current financial year

Date of Allotment	Number of Equity Shares	Face Value	Issue Price	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						Number of Equity Shares	Equity Share Capital	Equity Share Premium	
13-07-21	82,841	1/-	451.04/-	Cash	ESOP	13,58,63,494	13,58,63,494	37281763.64	NA
24-09-21	45,095	1/-	451.04/-	Cash	ESOP	13,59,08,589	13,59,08,589	20294553.8	NA
21-12-21	21,608	1/-	451.04/-	Cash	ESOP	13,59,30,197	13,59,30,197	9724464.32	NA
14-04-22	27,766	1/-	451.04/-	Cash	ESOP	13,59,57,963	13,59,57,963	12495810.64	NA
21-06-22	14,717	1/-	451.04/-	Cash	ESOP	13,59,72,680	13,59,72,680	6623238.68	NA
08-09-22	18,037	1/-	451.04/-	Cash	ESOP	13,59,90,717	13,59,90,717	8117371.48	NA
01-03-23	1,521	1/-	557.24/-	Cash	ESOP	13,59,92,238	13,59,92,238	846041.04	NA
10-04-23	1,054	1/-	557.24/-	Cash	ESOP	13,59,93,292	13,59,93,292	586276.96	NA
07-07-23	6,305	1/-	557.24/-	Cash	ESOP	13,59,99,597	13,59,99,597	3507093.2	NA
07-07-23	6,398	1/-	451.04/-	Cash	ESOP	13,60,05,995	13,60,05,995	2879355.92	NA
24-08-23	7,932	1/-	557.24/-	Cash	ESOP	13,60,13,927	13,60,13,927	4412095.68	NA
24-08-23	9,321	1/-	451.04/-	Cash	ESOP	13,60,23,248	13,60,23,248	4194822.84	NA
22-12-23	2,419	1/-	557.21/-	Cash	ESOP	13,60,25,667	13,60,25,667	1345544.56	NA

Date of Allotment	Number of Equity Shares	Face Value	Issue Price	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						Number of Equity Shares	Equity Share Capital	Equity Share Premium	
22-12-23	2,613	1/-	451.04/-	Cash	ESOP	13,60,28,280	13,60,28,280	1175954.52	NA
09-04-24	3,482	1/-	451.04/-	Cash	ESOP	13,60,31,762	13,60,31,762	1567039.28	NA
09-04-24	7,031	1/-	557.24/-	Cash	ESOP	13,60,38,793	13,60,38,793	3910923.44	NA
09-04-24	8,673	1/-	510.32/-	Cash	ESOP	13,60,47,466	13,60,47,466	4417332.36	NA
22-05-24	2,553	1/-	557.24/-	Cash	ESOP	13,60,50,019	13,60,50,019	1420080.72	NA
22-05-24	2,497	1/-	510.32/-	Cash	ESOP	13,60,52,516	13,60,52,516	1271772.04	NA

Notes: (if any)

4. Details of the shareholding of the Company

Shareholding pattern of the Company as on March 31, 2024
Please see Annexure 6 (*Shareholding pattern*).

Notes: Shares pledged or encumbered by the promoters (if any): Please see Annexure 6 (*Details of shareholding pattern)*.

Whether the Company has allotted any equity shares in the last one year preceding the date of the General Information Document; if yes, details thereof:

Sr. No.	Particulars	Total no. of Equity shares allotted	Form of consideration	Face value of shares allotted	Price at which shares were allotted	Date on which shares were allotted
1	Manish Chadha	1054	Cash	1	557.24	10-04-2023
2	Rakesh Khatnani	1000	Cash	1	451.04	07-07-2023
3	Sanjeev Wadhwa	1000	Cash	1	451.04	07-07-2023
4	Milind Talegaonkar	70	Cash	1	451.04	07-07-2023
5	Sachin Shah	3328	Cash	1	451.04	07-07-2023
6	Rajan Luthra	1000	Cash	1	451.04	07-07-2023
7	Deepak Khedkar	697	Cash	1	557.24	07-07-2023
8	Chetan Doshi	1162	Cash	1	557.24	07-07-2023
9	Dhanaraju Swaminathan	130	Cash	1	557.24	07-07-2023
10	Ganesh Boddu	640	Cash	1	557.24	07-07-2023
11	Ravi Kumar Singh	490	Cash	1	557.24	07-07-2023
12	Sabyasachi Sharma	1263	Cash	1	557.24	07-07-2023
13	Ruchi Agrawal	439	Cash	1	557.24	07-07-2023
14	Nitin Purohit	616	Cash	1	557.24	07-07-2023
15	Steephan Chacko	868	Cash	1	557.24	07-07-2023
16	Pranav Shah	995	Cash	1	451.04	24-08-2023
17	Prasad Golvelkar	1662	Cash	1	451.04	24-08-2023

18	Khushbu Patel	1164	Cash	1	451.04	24-08-2023
19	Hiral Trivedi	2500	Cash	1	451.04	24-08-2023
20	Sanjeev Wadhwa	1000	Cash	1	451.04	24-08-2023
21	Indranil Chakrabarti	2000	Cash	1	451.04	24-08-2023
22	Dhanaraju Swaminathan	150	Cash	1	557.24	24-08-2023
23	Kruti Raval	549	Cash	1	557.24	24-08-2023
24	Sarika Sharma	487	Cash	1	557.24	24-08-2023
25	Pranav Shah	451	Cash	1	557.24	24-08-2023
26	Milind Talegaonkar	721	Cash	1	557.24	24-08-2023
27	Puneet Bakshi	344	Cash	1	557.24	24-08-2023
28	Rupendra Singh Kushwah	1226	Cash	1	557.24	24-08-2023
29	Ashutosh Goel	769	Cash	1	557.24	24-08-2023
30	Khushbu Patel	478	Cash	1	557.24	24-08-2023
31	Dipan Kadia	494	Cash	1	557.24	24-08-2023
32	Sachin Shah	2263	Cash	1	557.24	24-08-2023
33	Bhavesh Shukla	994	Cash	1	451.04	22-12-2023
34	Rajan Luthra	500	Cash	1	451.04	22-12-2023
35	Rama Prasad Gorrepati	168	Cash	1	451.04	22-12-2023
36	Hiral Trivedi	951	Cash	1	451.04	22-12-2023
37	Hrishikesh Deshmukh	666	Cash	1	557.24	22-12-2023
38	Shreyas Desai	300	Cash	1	557.24	22-12-2023
39	Hiren Prajapati	180	Cash	1	557.24	22-12-2023
40	Santosh Danavale	1273	Cash	1	557.24	22-12-2023
41	Shyamal Sachdev	831	Cash	1	451.04	09-04-2024
42	Sanjeev Wadhwa	2651	Cash	1	451.04	09-04-2024
43	Puneet Bakshi	344	Cash	1	557.24	09-04-2024
44	Kruti Raval	549	Cash	1	557.24	09-04-2024
45	Lester Dsouza	1034	Cash	1	557.24	09-04-2024
46	Santanu Rudra	3693	Cash	1	557.24	09-04-2024
47	Ashutosh Goel	770	Cash	1	557.24	09-04-2024
48	Ganesh Boddu	641	Cash	1	557.24	09-04-2024
49	Neeraj Sharma	757	Cash	1	510.32	09-04-2024
50	Santanu Rudra	2246	Cash	1	510.32	09-04-2024
51	Milind Talegaonkar	783	Cash	1	510.32	09-04-2024
52	Puneet Bakshi	423	Cash	1	510.32	09-04-2024
53	Kruti Raval	698	Cash	1	510.32	09-04-2024
54	Lester Dsouza	1265	Cash	1	510.32	09-04-2024
55	Ashutosh Goel	942	Cash	1	510.32	09-04-2024
56	Dheeraj Sharma	200	Cash	1	510.32	09-04-2024
57	Ganesh Boddu	761	Cash	1	510.32	09-04-2024
58	Vaneet Sareen	598	Cash	1	510.32	09-04-2024
59	Dipak Khedkar	698	Cash	1	557.24	22-05-2024
60	Sanjay S. Chatta	613	Cash	1	557.24	22-05-2024
61	Nitin Purohit	616	Cash	1	557.24	22-05-2024
62	Hiren Prajapati	626	Cash	1	557.24	22-05-2024
63	Dipak Khedkar	854	Cash	1	510.32	22-05-2024
64	Sanjay S. Chatta	711	Cash	1	510.32	22-05-2024
65	Nitin Purohit	732	Cash	1	510.32	22-05-2024
66	Hiral Bhatt	200	Cash	1	510.32	22-05-2024

5. List of top 10 holders of equity shares of the Company as on the latest quarter end being March 31, 2024

Sr.	Name of Shareholders	Total	Number of	Total Shareholding as %

No.		number of Equity Shares	shares in demat form	of total number of equity shares
1.	Amit Indubhusan Bakshi	5,83,35,144	5,83,35,144	42.88
2.	Emerald Investments Limited	98,86,882	98,86,882	7.27
3.	HDFC Small Cap Fund	89,73,223	89,73,223	6.59
4.	Rakesh Shah	66,40,981	66,40,981	4.88
5.	Rajendrakumar Rambhai Patel	59,39,834	59,39,834	4.37
6.	Inderjeet Singh Negi	59,39,833	59,39,833	4.37
7.	Uti Flexi Cap Fund	56,30,875	56,30,875	4.13
8.	Kaushal Kamleshkumar Shah	44,68,833	44,68,833	3.29
9.	Bhikhalal Chimanlal Shah	37,53,566	37,53,566	2.76
10.	Hetal Rasiklal Shah	35,03,728	35,03,728	2.58

6. Details of any acquisition or amalgamation in the preceding one year

Pursuant to the Share Purchase and Shareholders' Agreement dated February 13, 2024, the Company has acquired 2,846,637 shares, representing a 51% stake in Swiss Parenterals Limited. Additionally, on April 18, 2024, the Company increased its holding in Swiss Parenterals Limited by an additional 19%, bringing its total ownership to 70%.

7. Details of reorganization or reconstruction in the preceding one year: Not Applicable

8. Details of the following liabilities of the Company, as at the end of the preceding quarter, being 31 March, 2024, or if available, a later date:

- Details of outstanding secured loan facilities:

Lender's Name	Type of Facility	Amount Sanctioned (INR in million)	Principall Amount Outstanding (INR in million)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
Axis Bank Ltd	Term Loan	2,620	2,095	Mar '28	Acquired Asset	AA-/Stable	Intangible Asset
Citi Bank NA	Term Loan	2,800	2,567	Nov '26	Acquired Asset	-	Intangible Asset
Citi Bank NA	Term Loan	1,208	379	Jan '25	Acquired Asset	-	Intangible Asset
HDFC Bank Ltd	Term Loan	2,120	2,004	Oct '27	Acquired Asset	-	Intangible Asset
TOTAL		**8,748**	**7,045**				

- Details of outstanding unsecured loan facilities:

Lender's	Type of	Amount Sanctioned	Principal Amount	Repayment	Credit Rating (if

Name	Facility	(INR in lakhs)	Outstanding (INR in million)	Date/ Schedule	applicable)
Eris Therapeutics Ltd.	Unsecured Loan	N.A.	695.38	N.A.	N.A.
Eris Oaknet Healthcare Pvt. Ltd.	Unsecured Loan	N.A.	270.13	N.A.	N.A.
Eris M.J. Biopharm Pvt. Ltd.	Unsecured Loan	N.A.	0.6	N.A.	N.A.
TOTAL			**966.11**		

- Details of outstanding non-convertible securities:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount	Date of allotment	Redemption date/ Schedule	Credit rating	Secured/Unsecured	Security
-	INE406M07013	12 Months 7 Days	8%	437.50 cr	15-02-24	21-02-2024	NA	Secured	Shares of Swiss Parenterals Limited

- Details of commercial paper issuances as the end of last quarter, i.e. 31 March, 2024:

Series of NCS	ISIN	Tenor / Period of Maturity	Coupon	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies	Ag
-	INE406M14027	90 Days	9% p.a.	975 cr	13-03-24	11 June 2024	IND A1+	Unsecured	NA	AXIS BANK LIMITED Axis House, Wadia	

										International Center, P.B. Marg, Worli, Mumbai – 400 025 (Mobile)

- List of Top 10 holders of non-convertible securities in terms of value (in cumulative basis):

Sr. No.	Name of holders of Non-convertible Securities	Category of holder	Face value of holding	Amount	% of Total NCS Outstanding
1.	Vikram R. Shah	Individual	1,00,000/-	282,59,00,000	64.59
2.	Ami V. Shah	Individual	1,00,000/-	84,73,00,000	19.37
3	Naishadh V. Shah	Individual	1,00,000/-	70,18,00,000	16.04

Note: Top 10 holders' (in value terms, on cumulative basis for all outstanding debentures issues) details should be provided.

- List of Top 10 holders of Commercial Paper in terms of value (in cumulative basis):

S. No	Name of holder	Category of Holder	Face Value of holding	Holding as a % of total commercial paper outstanding of the Company
1.	ICICI Prudential Liquid Fund	Mutual Funds	975 Cr	100%

- Details of the bank fund based facilities / rest of the borrowing (if any including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures / Preference Shares) from financial institutions or financial creditors:

Party Name (in case of Facility)/ Instrument name	Type of Facility/ Instrument	Amount Sanctioned/Issued	Principal Amount Outstanding	Date of Redemption / Schedule	Credit rating	Secured/Unsecured	Security
Citi Bank NA	Fund Based Working Capital Limit	1,140	1130	N.A.	A1+	Secured	Current Assets
HDFC Bank Ltd	Fund Based Working Capital Limit	3,000	1280	N.A.	A1+	Secured	Current Assets

Axis Bank Ltd	Fund Based Working Capital Limit	750	750	N.A.	A1+	Secured	Current Assets
TOTAL		**4,890**	**3,160**				

- Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial papers (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding three years and the current financial year:

  Not Applicable

- The amount of corporate guarantee or letter of comfort issued by the Company along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:

Sr. No.	Name of holders of Non-convertible Securities	Consideration received	Face value of holding	Issued Amount	% of Total NCS Outstanding
1.	Vikram R. Shah	Equity Shares of Swiss Parenterals Limited	1,00,000/-	282,59,00,000	64.59
2.	Ami V. Shah	Equity Shares of Swiss Parenterals Limited	1,00,000/-	84,73,00,000	19.37
3	Naishadh V. Shah	Equity Shares of Swiss Parenterals Limited	1,00,000/-	70,18,00,000	16.04

9. Profits of the Company on a Consolidated Basis, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of the General Information Document

Rs.

Parameters	FY 2023-24	FY 2022-23	FY 2021-22
Profit Before Tax	**4,312.39**	**4,046.43**	**4,421.98**
Profit After Tax	**3,970.54**	**3,741.60**	**4,057.89**

10. Dividends declared by the Company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)

Rs.

Parameters	FY 2023-24	FY 2022-23	FY 2021-22
Dividend amounts	**NIL**	**999.40**	**816.54**
Interest coverage ratio	**6.09**	**16.46**	**107.66**

11. A summary of the financial position of the Company as in the three audited balance sheets, both on a standalone and consolidated basis immediately preceding the date of circulation of General Information Document or issue opening date.

Please see below a summary of the financial position of the Company as in the three audited balance sheets (for Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, both on a standalone and consolidated basis:

Standalone **(` in million)**

Balance Sheet	FY 24	FY 23	FY 22
Property, Plant and Equipment (including Capital Work in Progress and Investment Property)	1,482.49	1,523.99	1,460.14
Intangible Assets (including Intangible Assets under Development)	13,679.17	7,457.57	4,989.71
Financial Assets (Current and non- current)	32,113.93	13,986.86	10,881.11
Other Non-Current assets	3,301.34	2,855.36	2,400.41
Current assets	2,918.75	2,012.80	1,772.79
Total Assets	**53,495.68**	**27,836.58**	**21,504.16**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	25,294.49	3,168.71	-
- Other Financial Liabilities	1,933.53	1,327.31	1,409.28
Non-Current Liabilities	13.84	18.21	22.82
Current Liabilities	188.03	208.61	220.30
Provisions	1,000.30	894.90	666.20
Total Liabilities	**28,430.19**	**5,617.74**	**2,318.60**
Equity (Equity Share Capital and Other Equity)	25,065.49	22,218.84	19,185.56
Total Equity and Liabilities	**53,495.68**	**27,836.58**	**21,504.16**

Consolidated Basis **(` in million)**

Balance Sheet	FY 24	FY 23	FY 22
Property, Plant and Equipment (including	5,236.53	3,773.79	1,918.57

Capital Work in Progress and Investment Property)			
Intangible Assets (including Intangible Assets under Development)	38,235.38	22,124.45	7,530.72
Financial Assets (Current and non- current)	18,563.50	4,012.48	8,314.94
Other Non-Current assets	3,736.59	2,974.72	2,717.20
Current assets	4,716.37	3,787.84	2,239.96
Total Assets	**70,488.37**	**36,673.28**	**22,721.39**
Financial Liabilities (Current and Non- Current)			
- Borrowings (including interest)	27,352.67	8,300.16	450.11
- Other Financial Liabilities	3,440.13	2,084.97	1,727.88
Non-Current Liabilities	5,442.02	2,689.60	483.76
Current Liabilities	885.52	256.22	265.90
Provisions	1,147.72	1,135.56	711.71
Total Liabilities	**38,268.06**	**14,466.51**	**3,639.36**
Equity (Equity Share Capital and Other Equity)(Including NCI)	32,220.31	22,206.77	19,082.03
Total Equity and Liabilities	**70,488.37**	**36,673.28**	**22,721.39**

12. Abridged version of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications , if any.

As per Annexure 8

The financial statements are audited and certified by the statutory auditor(s) who holds a valid certificate number 013179 issued by the Peer Review Board of the Institute of Chartered Accountants of India (“ICAI”), and the peer review certificate has been provided in Annexure 5.

13. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company.

Not Applicable

14. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor’s decision to invest / continue to invest in the debt securities.

Not Applicable

SECTION VII - UNDERTAKING BY THE COMPANY

The Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document and the relevant Key Information Document contain all information with regard to the Company and the Issue, that the information contained in the General Information Document and the relevant Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this General Information Document and the relevant Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respects.

Declaration

(a) The Company is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;

(b) Nothing in the General Information Document is contrary to the provisions of Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;

(c) The compliance with the Securities and Exchange Board of India Act, 1992 and the Companies Act and the rules and regulations does not imply that payment of dividend or interest or repayment of Debt Securities, if applicable, is guaranteed by the Central Government;

(d) The monies received under the offer shall be used only for the purposes and objects indicated in the General Information Document and the relevant Key Information Document;

(e) Whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and the Articles;

(f) The permanent account number, Aadhaar Number, driving license number, bank account number(s) and passport number of the promoters of the Company and permanent account number of the directors of the Company have been submitted to the BSE; and

(g) The Issuer has no side letter with any debt securities holder except the ones disclosed in this General Information Document. Any covenants later added shall be disclosed on the stock exchange website where the Debentures are listed.

I am authorised by the board of Directors of the Company by resolution dated May 21, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. The General Information Document contains full disclosures in accordance with the SEBI Debt Regulations, as amended from time to time. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

A copy of the board resolution dated May 21, 2024 and resolution approved by the executive committee of the Board dated May 22, 2024, authorizing the issuance of the Debentures is attached as Annexure

3 of this General Information Document (*Board Resolution*).

A copy of the shareholders resolution dated February 3, 2017 under Section 180(1)(c) of the Companies Act, 2013, is attached as Annexure 4 of this General Information Document (*Shareholders Resolution under Section 180(1)(c) of the Companies Act, 2013*).

For Eris Lifesciences Limited

KAUSHAL
KAMLESH SHAH

Digitally signed by KAUSHAL KAMLESH SHAH
DN: c=IN, postalCode=380059, st=GUJARAT, street=6 VENETIAN
VILLAANNEXDABADTHALTEJ SHILAJ ROADOPP ANAND NIKETAN SCHOOL 380059,
l=AHMEDABAD, o=Personal, title=0450,
serialNumber=3e67b42ae17c0f1021b53ba1e61cba67d1c6092b77ef9dc67876be4faf
943d, pseudonym=0450202211151558267677,
2.5.4.20=a883c1e44717918d518bb1bb4b6ab50131f60acbda698a408e29ed1e6178ee1,
email=KAUSHAL.SHAH@ERISLIFESCIENCES.COM, cn=KAUSHAL KAMLESH SHAH
Date: 2024.05.30 16:41:17 +05'30'

……

Kaushal Kamlesh Shah
Director
DIN : 01229038

Place: Ahmedabad
Date: 29 May 2024

ANNEXURE 1: [INTENTIONALLY OMITTED]

ANNEXURE 2: IN-PRINCIPLE LISTING APPROVAL

BSE
The Power of Vibrance

May 29, 2024

DCS/COMP/BB/IP-PPDI/035/24-25

Eris Lifesciences Limited
Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near
Swati Bungalows, Bodakdev, Ahmedabad, Gujarat,380054

Dear Sir/Madam

Re: Private Placement of Listed, Rated, Secured/Unsecured, Redeemable, Transferable, Non-Convertible Securities and Commercial Papers ("NCDs"); Under GID No.: GID-2024-25/01; Dated May 29, 2024 (The Issue)

We acknowledge receipt of your application on the online portal on May 28, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Hardik Bhuta
Asst. Gen. Manager

Akshay Arolkar
Deputy Manager

ANNEXURE 3: BOARD RESOLUTION

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ERIS LIFESCIENCES LIMITED ("COMPANY") AT THE BOARD MEETING HELD ON TUESDAY, MAY 21, 2024, AT 11 A.M. AT SHIVARTH AMBIT, PLOT NO. 142/2, RAMDAS ROAD, OFF SBR, NEAR SWATI BUNGALOWS, BODAKDEV, AHMEDABAD - 380054

MEETING NO.: LBM-03-2024

ISSUE OF NON-CONVERTIBLE REDEEMABLE DEBENTURES UP TO RS. 1250 CORES ON PRIVATE PLACEMENT BASIS

"**RESOLVED THAT** pursuant to the provision of Sections 42, 71, 179 (3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) and the relevant regulations/directions as may be prescribed by the Securities and Exchange Board of India and Reserve bank of India from time to time (including any amendments(s), modification(s) thereof) and pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Articles of Association of the company, the approval of the Board be and is hereby granted to borrow funds by way of issuance of listed, redeemable debentures, whether secured or unsecured, on private placement basis, in one or more tranches or series, subject to the total outstanding debentures not exceeding INR 1250 Crores at any time ("**NCDs**") i.e. within the borrowing limits pursuant to Section 180(1)(c) of the Companies Act, 2013 by the shareholders of the Company, to such entities (including but not limited to banks, qualified institutional buyers, financial institutions, foreign portfolio investors, companies, body corporates, companies, provident funds, superannuation funds, gratuity funds, insurance companies and such other persons as may be permissible under the applicable law) whose names are recorded by the Company prior to the invitation to subscribe, and for such purposes as permitted under applicable law ("**Transaction**"), and subject to the following terms:

S. No.	Particulars	Terms
a.	Type if Instrument	Non-convertible Redeemable Debentures
b.	Issue Size	Up to 1250 crores
c.	Face Value	INR 1,00,000/-
d.	Tenure	Not exceeding 3 years

RESOLVED FURTHER THAT the approval of the Board be and is hereby granted to create security, including but not limited to by way of a first ranking charge over specified movable and immovable property (if any), bank accounts or any other assets of the Company as may be decided, upon such terms and conditions as the Board (including the Executive Committee of the Board) may in its absolute discretion deem fit and proper."

"**RESOLVED FURTHER THAT** the consent of the Board be and is hereby granted to the Executive Committee, in relation to the Transaction to finalise the terms and conditions in relation to the issuance of NCDs, including but not limited deciding the rate of interest, disclosure of material contracts, all in cost, coupon rate, issue date, redemption, minimum application money, interest on application money, put and call options, security and allotment date and listing the debentures on the relevant stock exchanges, in such manner, as it may deem fit."

"RESOLVED FURTHER THAT the consent of the Board be and is hereby granted to the Executive Committee to do the following in relation to the Transaction:

a. to finalize, negotiate, approve, execute,

   i. the general information document and each key information document, and any amendments thereto, containing disclosures in accordance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, read with Master Circular for issue and listing of Non-convertible Securities,

Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021(as amended from time to time) and the Companies Act, 2013 ("**Disclosure Documents**");

ii. debenture trust deed, debenture trustee agreement, listing application, term sheet, sanction letters, letter of intent, private placement offer letter, security documents including deed of hypothecation, mortgage documents;

iii. such other documents/deed/agreement/undertakings including an offer letter, any supplemental document/amendment agreement / power of attorneys/ deed/agreement thereto, as may be required in connection with the Transaction and the terms of the NCDs; and

iv. such other documents as may be necessary/incidental to the above.

(all the above documents are hereinafter collectively referred to as the "**Transaction Documents**").

b. the appointment of registrars, debenture trustees, security trustee, bankers credit rating agency, valuation agency, legal counsel etc., as required in relation to the Transaction and such other intermediaries as may be required to be appointed for the Transaction and terms and conditions of their appointment, succession and their agents;

c. to decide all the terms and conditions of the Transaction, and in each case to accept any amendments, modifications, variations, or alterations thereto;

d. file listing application and other documents with the stock exchanges, as may be required;

e. to open bank accounts as may be required;

f. determine the date of opening and closing of the issuance of the NCDs as they may deem fit;

g. to finalize the allottees and the date of allotment of the NCDs as they deem fit, pass allotment resolutions and allot the NCDs;

h. finalise, execute and issue on behalf of the Company, the Transaction Documents and such other documents/agreements/undertakings as may be required in terms of the Transaction Documents, relating to the Transaction including any supplemental/ amendment document that may be executed and to file the same with NSE/BSE for the purpose of listing and to make such changes therein as may be required;

i. deal with, modify, alter, amend, finalise, sign, deliver, approve, negotiate, re-negotiate, execute and/or undertake all other acts, deeds, things and matters and notices in respect of the Transaction Documents and such other certificates, documents/deed/agreement including any supplemental document /deed/agreement thereto, as may be required in connection with the Transaction and as may be required in terms of the Transaction Documents;

j. the payment of stamp duty, fees (including legal fees) and other charges in relation to the execution of Transaction Documents;

k. to sign, execute and file applications, requisite forms (in physical or electronic), intimations, undertakings and other necessary papers, as may be applicable, with the Registrar of Companies, Reserve Bank of India, NSE/BSE Limited, NSDL, CDSL, Securities and Exchange Board of India and other applicable regulatory/statutory authorities in connection with the Transaction;

l. place such security as may be required from time to time; and

m. to do all such acts, deeds and things, as may be required in connection and/or incidental to the Transaction, and as may be necessary or expedient for giving effect to the above resolutions.

"**RESOLVED FURTHER THAT** pursuant to Master Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 as amended from time to time read with SEBI circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/147 dated October 31, 2022 ("ISIN reissuance circular") issued under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Board or the Authorised Officers of the Company or such person/s or such committee (by whatever name called) be and are hereby authorized to approve reissuance of NCDs with/without modifications in terms and/or structure in order to comply with ISIN reissuance circular provided such reissue is in line with the procedure as has been laid out in Regulation 59 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."

"**RESOLVED FURTHER THAT** any one person among the following executives of the Company ("**Authorized Signatories**"):

S. No.	Name of the Authorised Signatory	Designation	Specimen Signatures
I.	Kaushal Kamlesh Shah	Whole Time Director	
II.	Inderjeet Singh Negi	Whole Time Director	
III.	Sachin Shah	Chief Financial Officer	
IV.	Milind Talegaonkar	Company Secretary & Compliance Officer	

be and are hereby severally and/or jointly authorized to execute all the necessary forms, Returns, other documents, undertakings, agreements, deeds, acknowledgments and to complete all other formalities to give effect to this resolution."

"**RESOLVED FURTHER THAT** a copy of the aforesaid resolution duly certified by any one of the directors or the Company Secretary or the Chief Financial Officer be furnished various regulatory and statutory authorities and/or individuals and entities as may be required for their record and necessary action."

\\CERTIFIED TO BE TRUE COPY//

For and on behalf of **ERIS LIFESCIENCES LIMITED**

Milind Talegaonkar
Company Secretary
ICSI Mem. No.: A26493

ANNEXURE 4: SHAREHOLDERS RESOLUTION UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013

EXTRACT OF THE MINUTES OF THE EXTRA ORDINARY GENERAL MEETING (EGM-3-2017) OF THE MEMBERS OF ERIS LIFESCIENCES LIMITED HELD ON FRIDAY, 03RD FEBRUARY, 2017 FROM 11.00 A.M. TO 12.00 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT 21, NEW YORK TOWER - A, NR. MUKTIDHAM TEMPLE, THALTEJ CROSS ROAD, THALTEJ, AHMEDABAD - 380054

INCREASE IN BORROWING LIMITS

EGM-3-17/010

RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, read with the applicable rules made thereunder and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs.2,000 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board of Directors, Company Secretary & the Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.

\\ CERTIFIED TRUE COPY//

For Eris Lifesciences Limited

ERIS LIFESCIENCES LTD.

Milind Talegaonkar
Company Secretary
ICSI Membership Number: A26493

ANNEXURE 5: PEER REVIEW CERTIFICATE

o. 013179

Peer Review Certificate

Peer Review Board

The Institute of Chartered Accountants of India
New Delhi

This is to certify that the Peer Review of

M/s Deloitte Haskins & Sells LLP

One International Center, Tower-3, Elphinstone Mill Compound,

Senapati Bapat Marg, Elphinstone West,

Mumbai-400013

FRN/Mem. No. 117366W/W100018

(Name of PU, Address, FR No./M. No.)

has been carried out for the period

2016-2019

pursuant to the Statement on Peer Review.

This Certificate shall be effective from *01-08-2021*

and shall remain valid till *31-07-2024*

Issued at New Delhi on *07-06-2021*

CA. DAYANIWAS SHARMA	**CA. RAJESH SHARMA**	**CA. NIDHI SINGH**
Chairman	**Vice-Chairman**	**Secretary**
Peer Review Board	**Peer Review Board**	**Peer Review Board**

sclaimer: The Peer Review process pertains to review of assurance services independent of Disciplinary Proceedings and therefore

ANNEXURE 6: SHAREHOLDING PATTERN

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015		
1.	Name of Listed Entity: Eris Lifesciences Limited	
2.	Scrip Code/Name of Scrip/Class of Security: 540596	
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)	
	a.	If under 31(1)(b) then indicate the report for Quarter ending
	b.	If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-	

		Particulars	Yes*	No*
	1	Whether the Listed Entity has issued any partly paid up shares?		No
	2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
	3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
	4	Whether the Listed Entity has any shares in locked-in?		No
	5	Whether any shares held by promoters are pledge or otherwise encumbered?	Yes	
	* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.		

Eris Lifesciences Limited

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) =	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	5	74683744	0	0	74683744	54.9031	74683744	0	74683744	54.9031	0	54.9031	0	0.0000	13823970	18.510000	74683744
(B)	Public	51748	61344536	0	0	61344536	45.0969	61344536	0	61344536	45.0969	0	45.0969	0	0.0000	NA	NA	61344536
(C)	Non Promoter - Non Public				0				0			0			0.0000	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	Total	51753	136028280	0	0	136028280	100.0000	136028280	0	136028280	100.0000	0	100.0000	0	0.0000	13823970	10.162500	136028280

Eris Lifesciences Limited

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of Total Voting Rights							
									Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
	(I)		(III)	(IV)	(V)	(VI)	(VII) =	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a %	(XII)		(XIII)		(XIV)
1	Indian																		
(a)	**Individuals / Hindu Undivided Family**		**5**	**74683744**	**0**	**0**	**74683744**	**54.9031**	**74683744**	**0**	**74683744**	**54.9031**	**0**	**54.9031**	**0**	**0.0000**	**13823970**	**18.5100**	**74683744**
	Amit Indubhusan Bakshi	Promoters	1	58335144	0	0	58335144	42.8846	58335144	0	58335144	42.8846	0	42.8846	0	0.0000	8176470	14.0164	58335144
	Rajendrakumar Rambhai Patel	Promoters	1	5939834	0	0	5939834	4.3666	5939834	0	5939834	4.3666	0	4.3666	0	0.0000	1882500	31.6928	5939834
	Inderjeet Singh Negi	Promoters	1	5939833	0	0	5939833	4.3666	5939833	0	5939833	4.3666	0	4.3666	0	0.0000	1882500	31.6928	5939833
	Kaushal Kamleshkumar Shah	Promoters	1	4468833	0	0	4468833	3.2852	4468833	0	4468833	3.2852	0	3.2852	0	0.0000	1882500	42.1251	4468833
	Sarthak Negi	Promoter Group	1	100	0	0	100	0.0001	100	0	100	0.0001	0	0.0001	0	0.0000	0	0.0000	100
(b)	**Central Government / State Government(s)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(c)	**Financial Institutions / Banks**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(d)	**Any Other (Specify)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
	Sub Total (A)(1)		**5**	**74683744**	**0**	**0**	**74683744**	**54.9031**	**74683744**	**0**	**74683744**	**54.9031**	**0**	**54.9031**	**0**	**0.0000**	**13823970**	**18.5100**	**74683744**
2	Foreign																		
(a)	**Individuals (Non-Resident Individuals / Foreign Individuals)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(b)	**Government**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(c)	**Institutions**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(d)	**Foreign Portfolio Investor**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
(e)	**Any Other (Specify)**		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
	Sub Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**0**
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)		**5**	**74683744**	**0**	**0**	**74683744**	**54.9031**	**74683744**	**0**	**74683744**	**54.9031**	**0**	**54.9031**	**0**	**0.0000**	**13823970**	**18.5100**	**74683744**

Eris Lifesciences Limited

Table III - Statement showing shareholding pattern of the Public shareholder

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	Sub-categorization of shares		
								No of Voting Rights			Total as a % of Total Voting Rights								Shareholding(No. of shares) under		
								Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		Sub-category(i)	Sub-category(ii)	Sub-category(iii)
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
1	Institutions (Domestic)																				
(a)	Mutual Fund	17	20293310	0	0	20293310	14.9184	20293310	0	20293310	14.9184	0	14.9184	0	0.0000	NA	NA	20293310	0	0	0
	Hdfc Small Cap Fund	1	8973223	0	0	8973223	6.5966	8973223	0	8973223	6.5966	0	6.5966	0	0.0000	NA	NA	8973223	0	0	0
	Uti Flexi Cap Fund	1	5630875	0	0	5630875	4.1395	5630875	0	5630875	4.1395	0	4.1395	0	0.0000	NA	NA	5630875	0	0	0
	Franklin India Smaller Companies Fund	1	1988900	0	0	1988900	1.4621	1988900	0	1988900	1.4621	0	1.4621	0	0.0000	NA	NA	1988900	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(c)	Alternate Investment Funds	9	964855	0	0	964855	0.7093	964855	0	964855	0.7093	0	0.7093	0	0.0000	NA	NA	964855	0	0	0
(d)	Banks	1	3	0	0	3	0.0000	3	0	3	0.0000	0	0.0000	0	0.0000	NA	NA	3	0	0	0
(e)	Insurance Companies	2	6474	0	0	6474	0.0048	6474	0	6474	0.0048	0	0.0048	0	0.0000	NA	NA	6474	0	0	0
(f)	Provident Funds/ Pension Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(G)	Asset Reconstruction Companies	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(h)	Sovereign Wealth Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(i)	NBFCs registered with RBI	1	1	0	0	1	0.0000	1	0	1	0.0000	0	0.0000	0	0.0000	NA	NA	1	0	0	0
(j)	Other Financial Institutions	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(k)	Any Other (Specify)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
	Sub Total (B)(1)	30	21264643	0	0	21264643	15.6325	21264643	0	21264643	15.6325	0	15.6325	0	0.0000	NA	NA	21264643	0	0	0
2	Institutions (Foreign)																				
(a)	Foreign Direct Investment	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(b)	Foreign Venture Capital Investors	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(c)	Sovereign Wealth Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(d)	Foreign Portfolio Investors Category I	107	19220807	0	0	19220807	14.1300	19220807	0	19220807	14.1300	0	14.1300	0	0.0000	NA	NA	19220807	0	0	0
	Emerald Investments Limited	1	9886882	0	0	9886882	7.2683	9886882	0	9886882	7.2683	0	7.2683	0	0.0000	NA	NA	9886882			
(e)	Foreign Portfolio Investors Category II	5	192610	0	0	192610	0.1416	192610	0	192610	0.1416	0	0.1416	0	0.0000	NA	NA	192610	0	0	0
(f)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(g)	Any Other (Specify)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
	Sub Total (B)(2)	112	19413417	0	0	19413417	14.2716	19413417	0	19413417	14.2716	0	14.2716	0	0.0000	NA	NA	19413417	0	0	0
3	Central Government/ State Government(s)																				
(a)	Central Government / President of India	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(b)	State Government / Governor	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(C)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
	Sub Total (B)(3)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
4	Non-Institutions		0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(a)	Associate companies / Subsidiaries	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(C)	Key Managerial Personnel	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust''	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(f)	Investor Education and Protection Fund (IEPF)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(g)	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.	49055	3641994	0	0	3641994	2.6774	3641994	0	3641994	2.6774	0	2.6774	0	0.0000	NA	NA	3641994	0	0	0
(h)	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	7	15726694	0	0	15726694	11.5613	15726694	0	15726694	11.5613	0	11.5613	0	0.0000	NA	NA	15726694	0	0	0

	Bhikhalal Chimanlal Shah		3753566	0	0	3753566	2.7594	3753566	0	3753566	2.7594	0	2.7594	0	0.0000	NA	NA	3753566	0	0	0
	Hetal Rasiklal Shah		3503728	0	0	3503728	2.5757	3503728	0	3503728	2.5757	0	2.5757	0	0.0000	NA	NA	3503728			
	Rakesh Shah		6640981	0	0	6640981	4.8821	6640981	0	6640981	4.8821	0	4.8821	0	0.0000	NA	NA	6640981			
(i)	**Non Resident Indians (NRIs)**	**1178**	**296675**	**0**	**0**	**296675**	**0.2181**	**296675**	**0**	**296675**	**0.2181**	**0**	**0.2181**	**0**	**0.0000**	**NA**	**NA**	**296675**	**0**	**0**	**0**
(j)	**Foreign Nationals**	**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(k)	**Foreign Companies**	**0**	**0**	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**0**			
(l)	**Bodies Corporate**	**229**	**826565**	**0**	**0**	**826565**	**0.6076**	**826565**	**0**	**826565**	**0.6076**	**0**	**0.6076**	**0**	**0.0000**	**NA**	**NA**	**826565**	**0**	**0**	**0**
(m)	**Any Other (Specify)**	**1137**	**174548**	**0**	**0**	**174548**	**0.1283**	**174548**	**0**	**174548**	**0.1283**	**0**	**0.1283**	**0**	**0.0000**	**NA**	**NA**	**174548**	**0**	**0**	**0**
	Trusts	**1**	**1960**	**0**	**0**	**1960**	**0.0014**	**1960**	**0**	**1960**	**0.0014**	**0**	**0.0014**	**0**	**0.0000**	**NA**	**NA**	**1960**	**0**	**0**	**0**
	Body Corp-Ltd Liability Partnership	**21**	**58502**	**0**	**0**	**58502**	**0.0430**	**58502**	**0**	**58502**	**0.0430**	**0**	**0.0430**	**0**	**0.0000**	**NA**	**NA**	**58502**	**0**	**0**	**0**
	Hindu Undivided Family	**1112**	**114032**	**0**	**0**	**114032**	**0.0838**	**114032**	**0**	**114032**	**0.0838**	**0**	**0.0838**	**0**	**0.0000**	**NA**	**NA**	**114032**	**0**	**0**	**0**
	Clearing Member	**3**	**54**	**0**	**0**	**54**	**0.0000**	**54**	**0**	**54**	**0.0000**	**0**	**0.0000**	**0**	**0.0000**	**NA**	**NA**	**54**	**0**	**0**	**0**
	Sub Total (B)(4)	**51606**	**20666476**	**0**	**0**	**20666476**	**15.1928**	**20666476**	**0**	**20666476**	**15.1928**	**0**	**15.1928**	**0**	**0.0000**	**NA**	**NA**	**20666476**	**0**	**0**	**0**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4)	**51748**	**61344536**	**0**	**0**	**61344536**	**45.0969**	**61344536**	**0**	**61344536**	**45.0969**	**0**	**45.0969**	**0**	**0.0000**	**NA**	**NA**	**61344536**	**0**	**0**	**0**

Eris Lifesciences Limited

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Custodian/DR Holder		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0

ANNEXURE 7: DUE DILIGENCE CERTIFICATE

ATSL/CO/24-25/1719
May 28, 2024

Annexure A

To,
Stock Exchange /Securities and Exchange Board of India.

Dear Sir / Madam,

SUB: Issue of listed, rated, redeemable, unsecured, non-convertible debentures each having a face value of INR 1 Lakh each aggregating to INR 1250 Crores issued by ERIS Lifesciences Limited.

We, the Debenture Trustee to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports, and certifications.

2) On the basis of such examination and the discussions with the issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports, and certifications:

WE CONFIRM that:

a.) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued. **-NOT APPLICABLE**
b.) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies). **-NOT APPLICABLE**
c.) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities. **-NOT APPLICABLE**
d.) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement. **-NOT APPLICABLE**
e.) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application. **-NOT APPLICABLE**
f.) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
g.) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities **-NOT APPLICABLE.**

Thanking You,

For Axis Trustee Services Limited,

Authorised Signatory
Place : Mumbai
KA

ANNEXURE 8: AUDITED FINANCIAL STATEMENTS/RESULTS AND AUDITORS' REPORTS

Deloitte Haskins & Sells LLP

Chartered Accountants
19th floor, Shapath-V
S.G. Highway
Ahmedabad-380 015
Gujarat, India

Tel: +91 79 6682 7300
Fax: +91 79 6682 7400

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
ERIS LIFESCIENCES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2024 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2024" of **ERIS LIFESCIENCES LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31 , 2024:

i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2024

With respect to the Standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2024, has been compiled from the related interim financial information. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. 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 judgments and estimates that are reasonable and prudent; and the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2024, as a whole is 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 this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 Regulation 52 of the Listing Regulations.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results 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 Annual Standalone Financial Results.

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2024

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2024, in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Statement includes the results for the Quarter ended March 31, 2024, being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS * AHMEDABAD

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 24116642BKDLBY6190)

Place: Ahmedabad
Date: May 21, 2024

EY Entrepreneur of the year-2013

FROST & SULLIVAN Best Practices-2013

Business today/YES bank Excellence Awards-2013

Eris

Eris Lifesciences Limited

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

[₹ in Million except per share data]

Particulars	For Quarter Ended			For Year Ended	For Year Ended
	March 31, 2024 (refer note 6)	December 31, 2023 (Unaudited)	March 31, 2023 (refer note 6)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
Revenue from Operations					
Sale of products	3,322.46	3,159.60	3,083.55	14,547.49	13,071.20
Other operating income	90.50	84.54	62.29	319.57	236.05
Total Revenue from Operations	**3,412.96**	**3,244.14**	**3,145.84**	**14,867.06**	**13,307.25**
Other Income	203.94	34.33	42.60	348.28	172.64
Total Income	**3,616.90**	**3,278.47**	**3,188.44**	**15,215.34**	**13,479.89**
Expenses					
Cost of materials consumed	177.38	237.47	250.73	962.92	1,141.27
Purchase of stock-in-trade	371.68	362.43	296.83	1,970.22	1,137.56
Changes in inventories of finished goods, work-in-progress and stock-in-trade	104.01	46.48	(60.61)	(131.52)	85.01
Employee benefits expense	795.22	806.89	606.31	3,316.70	2,525.20
Finance Costs	288.92	151.41	29.56	574.20	208.10
Depreciation and amortisation expense	291.42	280.83	172.84	1,023.89	646.57
Other expenses	1,170.79	1,046.53	937.68	4,210.60	3,367.07
Total Expenses	**3,199.42**	**2,932.04**	**2,233.34**	**11,927.01**	**9,110.78**
Profit before Tax	**417.48**	**346.43**	**955.10**	**3,288.33**	**4,369.11**
Tax Expense					
Current Tax	82.37	58.32	170.05	576.44	764.96
Deferred Tax	(59.97)	(28.44)	(93.36)	(285.23)	(375.93)
Total Tax Expense	**22.40**	**29.88**	**76.69**	**291.21**	**389.03**
Net Profit for the period / year	**395.08**	**316.55**	**878.41**	**2,997.12**	**3,980.08**
Other Comprehensive Income	**(6.56)**	**(1.51)**	**5.39**	**(27.58)**	(1.49)
Items that will not be reclassified to profit or loss	(10.07)	(2.00)	8.28	(42.39)	(2.29)
Income tax relating to items that will not be reclassified to profit or loss	3.51	0.49	(2.89)	14.81	0.80
Total Comprehensive Income	**388.52**	**315.04**	**883.80**	**2,969.54**	**3,978.59**
Paid Up Equity Share Capital (Face Value of ₹ 1 each)	136.03	136.03	135.99	136.03	135.99
Other Equity				25,104.19	22,082.85
Earnings Per Share (of ₹ 1 each) (not annualised) :					
Basic	2.90	2.33	6.46	22.04	29.27
Diluted	2.90	2.33	6.43	22.01	29.23

See accompanying notes to the standalone financial results

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Registered & Corporate Office:
Shivarth Ambit, Plot No. 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad – 380054
Phone: +91-79-69661000/1001 • Email: eris@erislifesciences.com • Web Site: www.eris.co.in • CIN: L24232GJ2007PLC049867

Notes to the financial results

1. Statement of Standalone Assets and Liabilities

(₹ in Million)

Particulars	As at March 31, 2024 (Audited)	As at March 31, 2023 (Audited)
I. ASSETS :		
(1) Non-current assets		
(a) Property, Plant and Equipment	1,031.31	1,058.00
(b) Right-of-use asset	451.18	465.99
(c) Goodwill	199.96	166.60
(d) Other Intangible assets	13,473.10	7,287.54
(e) Intangible assets under development	6.11	3.43
(f) Financial assets		
Investments	16,189.45	9,665.15
Loans	10.42	749.36
Other financial assets	67.31	64.40
(g) Income tax assets (net)	162.09	34.87
(h) Deferred tax assets (net)	3,037.87	2,737.84
(i) Other non-current assets	101.38	82.65
Total Non current assets	**34,730.18**	**22,315.83**
(2) Current assets		
(a) Inventories	916.37	636.99
(b) Financial assets		
Investments	-	300.05
Trade receivables	2,399.71	2,292.18
Cash and cash equivalents	519.35	474.82
Other bank balances	12,448.04	1.67
Loans	472.78	432.26
Other financial assets	6.87	6.97
(c) Other current assets	2,002.38	1,375.81
Total Current assets	**18,765.50**	**5,520.75**
TOTAL- ASSETS	**53,495.68**	**27,836.58**
II. EQUITY AND LIABILITIES :		
(1) Equity		
(a) Equity Share capital	136.03	135.99
(b) Other Equity	25,104.19	22,082.85
Total Equity	**25,240.22**	**22,218.84**
(2) Non-current Liabilities		
(a) Financial Liabilities		
Long term Borrowings	4,859.41	2,094.71
Lease Liabilities	350.22	356.76
Other financial liabilities	8.60	-
(b) Long-term provisions	405.63	310.32
(c) Other non-current liabilities	13.84	18.21
Total Non-current liabilities	**5,637.70**	**2,780.00**
(3) Current liabilities		
(a) Financial Liabilities		
Borrowings	20,435.08	1,074.00
Lease Liabilities	75.12	55.39
Trade payables		
i) Due to Micro and Small Enterprises	106.25	118.05
ii) Due to other than Micro and Small Enterprises	1,282.17	712.69
Other financial liabilities	111.16	84.42
(b) Short-term provisions	419.94	584.58
(c) Other current liabilities	181.15	170.53
(d) Income tax liabilities (net)	6.89	38.08
Total Current liabilities	**22,617.76**	**2,837.74**
Total Liabilities	**28,255.46**	**5,617.74**
TOTAL- EQUITY AND LIABILITIES	**53,495.68**	**27,836.58**

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

2. Statement of Standalone Cash Flows for the year ended March 31, 2024		(₹ in Million)
Particulars	For Year Ended March 31, 2024 (Audited)	For Year Ended March 31, 2023 (Audited)
A. Cash flow from operating activities		
Profit before tax	3,288.33	4,369.11
Adjustments for :		
Depreciation and amortisation expense	1,023.89	646.57
Net Loss on property plant and equipment sold/written off	21.43	8.01
Finance costs	574.20	208.10
Interest income	(112.85)	(82.77)
Provision / (Reversal) for doubtful debt / other financial assets	-	1.99
Deferred Capital Subsidy	(4.52)	(4.78)
Net gain on sale of investments carried at fair value through profit or loss	(55.26)	(71.27)
Net MTM gain on investments carried at fair value through profit or loss	(38.50)	(0.05)
Share based payment expense	32.87	31.21
Operating profit before working capital changes	4,729.59	5,106.12
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(107.53)	(916.63)
Inventories	(279.38)	210.92
Other assets	(636.35)	(514.29)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	557.67	(136.86)
Financial Liabilities	(65.32)	24.29
Provisions	(111.72)	226.41
Other Liabilities	10.78	1.18
Cash generated from operations	4,097.74	4,001.14
Net income tax paid	(734.84)	(777.86)
Net cash flow from operating activities (A)	**3,362.90**	**3,223.28**
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(3,490.45)	(3,112.65)
Consideration paid towards investment in subsidiary (Refer note 9)	(2,008.00)	(7,054.91)
Consideration paid towards business combination (Refer note 8)	(3,660.00)	-
Consideration paid towards acquisition of Compulsory convertible debentures of subsidiary	(102.80)	-
Investments in mutual funds and fixed deposit	-	(300.00)
Proceeds from redemption of mutual funds and fixed deposit	(4,019.69)	5,853.39
Loan given to Subsidiaries	(2,229.24)	(4,327.08)
Loan repaid by Subsidiaries	2,930.82	3,479.40
Repayment of loan given to others received	-	223.60
Loan to others given	(3.16)	(9.23)
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	(12,420.30)	12.34
Interest income	83.90	100.89
Net cash used in investing activities (B)	**(24,918.92)**	**(5,132.96)**
C. Cash flow from financing activities		
Proceeds from borrowings	22,700.39	6,668.71
Repayment of borrowings	(1,593.99)	(3,500.00)
Proceeds of borrowings from subsidiary	1,279.38	325.00
Repayment of borrowings to subsidiary	(260.00)	(325.00)
Finance costs	(480.72)	(206.53)
Principal element to lease payment	(63.47)	(48.39)
Proceeds from issue of equity share capital (Employee stock options plan)	18.97	22.78
Dividend paid	(0.01)	(999.11)
Net cash flow from financing activities (C)	**21,600.55**	**1,937.46**
Net increase in cash and cash equivalents (A+B+C)	**44.53**	**27.78**
Cash and cash equivalents at the beginning of the period	**474.82**	**447.04**
Cash and cash equivalents at end of the period	**519.35**	**474.82**

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

3. Additional information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended for the quarter and year ended March 31, 2024 :

			Quarter ended			Year ended	
Ratio	**Numerator**	**Denominator**	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**
Debt-equity ratio	Total Debt (including lease liabilities)	Total Equity	1.02	0.35	0.16	1.02	0.16
Debt service coverage ratio	Profit after tax-Other income+Depreciation+Interest+Committed Principal repayments made during the period for long term loans	Interest expense +Committed Principal repayments made during the period for long term loans	1.58	2.29	35.12	3.20	22.40
Interest service coverage ratio	Earnings before Interest and Tax	Interest expense	2.44	3.29	33.31	6.73	22.00
Outstanding redeemable preference shares (quantity and value)			Nil	Nil	Nil	Nil	Nil
Capital redemption reserve/debenture redemption reserve (₹ in million)			1.74	1.74	1.74	1.74	1.74
Net worth (₹ in million)			25,240.22	24,844.19	22,218.84	25,240.22	22,218.84
Net profit after tax (₹ in million)			395.08	316.62	878.43	2,997.12	3,980.08
Earnings per share:			2.90	2.33	6.46	22.04	29.27
Current ratio	Current assets	Current liabilities	0.83	1.85	1.95	0.83	1.95
Long term debt to working capital (Refer note 10)	Long-term debt/ lease liabilities+Current maturity of long-term debt/ lease liabilities	Current Assets-Current liabilities excluding Current maturity of long-term debt	1.67	1.79	0.93	1.67	0.93
Bad debts to Account receivable ratio	Bad debts	Trade receivables	-	-	-	-	-
Current liability ratio	Current liabilities	Total liabilities	0.80	0.34	0.51	0.80	0.51
Total debts to total assets	Total Debt (including lease liabilities)	Total Assets	0.48	0.24	0.13	0.48	0.13
Debtors' turnover*	Sales	Debtors	6.06	5.21	5.70	6.06	5.70
Inventory turnover*	Cost of goods sold	Average Inventory	3.61	3.51	3.18	3.61	3.18
Operating margin percent	Earnings before Interest and Tax	Revenue from Operations	21%	15%	31%	26%	34%
Net profit margin percent:	Profit after tax	Revenue from Operations	12%	10%	28%	20%	30%

*Quarterly ratios based on Trailing Twelve Months values

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Notes to financial results

4 The above statement of financial results ("the Statement") of the Company has been recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 21, 2024.

5 The Company is primarily engaged in one business segment namely - "Pharmaceuticals" - as determined by the chief operating decision maker in accordance with Ind AS 108 - "Operating Segment".

6 The figures for the quarter ended March 31, 2024 and quarter ended March 31, 2023 as reported in these financial results are the balancing figures between the Audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the current and previous financial year which was subject to limited review.

7 During the quarter ended June 30, 2023, Eris Lifesciences Limited (ELL) has operationally integrated the domestic formulations business of its subsidiary Eris Oaknet Healthcare Private Limited (EOHPL) vide a subsisting Royalty based Trademark License agreement which confers upon ELL the rights to use the trademarks owned by EOHPL. Further, during the quarter ended September 30, 2023, pursuant to a Deed of assignment of Trademark entered into between EOHPL and ELL, ELL has acquired all the rights, title and interest to the certain trademarks owned by the EOHPL, for a consideration of ₹ 3,396.80 million, being the Net book value of the said trademarks on the date of the transfer.
Owing to the above, the standalone results of the Company for the current quarter and year, become non-comparable with those of corresponding quarter and year ended March 31, 2023.

8 During the quarter ended December 31, 2023, the Company has completed acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of ₹ 3,660 million on a slump sale basis. The acquisition was completed on November 9, 2023. The Company has determined the fair values of identified assets and liabilities for the purpose of Purchase price allocation. The results of the current quarter ended March 31, 2024 are not comparable with those of corresponding periods included in the aforesaid statement due to said acquisition.

9 During the quarter ended March 31, 2024, the Company has completed acquisition of 28,46,639 equity shares representing 51% of equity share capital of Swiss Parenterals Limited (SPL) and obtained control on February 14, 2024 from its erstwhile shareholders for a consideration of ₹ 6,375 million. The consideration was settled through Cash Consideration of ₹ 2,000 million and issuance of 43,750 8% Secured Redeemable Non-Convertible Debentures of ₹ 4,375 million. Subsequent to the year end, the Company has further acquired 10,60,512 shares of SPL representing 19% of its equity share capital of SPL on April 18, 2024 for a consideration of ₹ 2,375 million.

10 Subsequent to the year end, the Company has completed acquisition of the Indian Branded Formulations business comprising of Insulin, Oncology and Critical Care products from Biocon Biologics Limited for a consideration of ₹ 12,420 million on a slump sale basis. The acquisition was completed on April 1, 2024. For the purpose of this acquisition, the Company has availed bridge loan in the form of Commercial Papers of ₹ 9,750 million having a tenor of 90 days which are listed and unsecured in nature. Current liabilities as on March 31, 2024 includes Commercial Papers of ₹ 9,750 million which the company intends to re-finance by way of long –term debt in June 2024.

11 The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions

For Eris Lifesciences Limited,

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Amit Bakshi
Chairman and Managing Director
DIN : 01250925

Place: Ahmedabad
Date: May 21, 2024

Deloitte Haskins & Sells LLP

Chartered Accountants
19th floor, Shapath-V
S.G. Highway
Ahmedabad-380 015
Gujarat, India

Tel: +91 79 6682 7300
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
ERIS LIFESCIENCES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2024 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2024" of **ERIS LIFESCIENCES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2024, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of other auditors on separate financial statements of subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2024:

(i) includes the results of the following entities:

- Eris Lifesciences Limited (Parent)
- Eris Oaknet Healthcare Private Limited (Subsidiary) – (Formerly known as Oaknet Healthcare Private Limited)
- Eris Therapeutics Limited (Subsidiary)
- Eris Healthcare Private Limited (Subsidiary)
- Aprica Healthcare Limited (Subsidiary)
- Eris M.J. Biopharm Private Limited (Subsidiary)
- Eris Pharmaceuticals Private Limited (Subsidiary)
- Swiss Parenterals Limited (Subsidiary)

(ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2024.

Regd. Office: One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
(LLP Identification No. AAB-8737)

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2024

With respect to the Consolidated Financial Results for the quarter ended March 31, 2024, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2024, has been compiled from the related interim financial information. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2024 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 this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 Regulation 52 of the Listing Regulations.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated Financial Results 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the entities included in the Annual Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

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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.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2024

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2024, in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

- We did not audit the financial information of six subsidiaries included in the consolidated financial results, whose financial information reflect total assets of Rs. 10,453.93 Million as at March 31, 2024 and total revenues of Rs. 2,284.82 Million and Rs. 5,662.05 Million for the quarter and year ended March 31, 2024, respectively, total net profit after tax of Rs. 515.34 Million and Rs. 1,434.06 Million for the quarter and year ended March 31, 2024, respectively and total comprehensive income of Rs. 517.64 Million and Rs. 1,431.13 Million for the quarter and year ended March 31, 2024, respectively and net cash inflows of Rs. 123.79 Million for the year ended March 31,2024, as considered in the Statement. These financial statements/financial information have been audited/reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 24116642BKDLBZ2683)

Place: Ahmedabad
Date: May 21, 2024

EY Entrepreneur of the year-2013

FROST & SULLIVAN Best Practices-2013

Business today/YES bank Excellence Awards-2013

Eris

Eris Lifesciences Limited

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

[₹ in Million except per share data]

Particulars	For Quarter Ended			For Year Ended	
	March 31, 2024 (refer note 6)	December 31, 2023 (Unaudited)	March 31, 2023 (refer note 6)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
Revenue from Operations					
Sale of products	5,472.65	4,834.81	3,965.92	19,912.95	16,618.16
Other operating income	36.60	28.16	62.06	178.48	233.33
Total Revenue from Operations	**5,509.25**	**4,862.97**	**4,027.98**	**20,091.43**	**16,851.49**
Other Income	151.48	41.97	10.04	238.15	111.53
Total Income	**5,660.73**	**4,904.94**	**4,038.02**	**20,329.58**	**16,963.02**
Expenses					
Cost of materials consumed	511.72	389.07	325.42	1,778.08	1,421.99
Purchase of stock-in-trade	585.14	500.31	544.99	2,015.15	2,063.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	84.97	(0.69)	(142.84)	7.21	38.18
Employee benefits expense	1,024.75	986.75	858.08	4,038.15	3,461.57
Finance Costs	330.32	181.18	88.67	848.01	261.68
Depreciation and amortisation expense	539.01	457.16	351.30	1,826.05	1,170.88
Other expenses	1,818.35	1,232.44	1,253.39	5,504.54	4,498.96
Total Expenses	**4,894.26**	**3,746.22**	**3,279.01**	**16,017.19**	**12,916.59**
Profit before Tax	**766.47**	**1,158.72**	**759.01**	**4,312.39**	**4,046.43**
Tax Expense					
Current Tax	157.26	193.82	170.04	822.19	746.59
Deferred Tax	(187.12)	(49.70)	(25.81)	(480.34)	(441.76)
Total Tax Expense	**(29.86)**	**144.12**	**144.23**	**341.85**	**304.83**
Net Profit for the period / year	**796.33**	**1,014.60**	**614.78**	**3,970.54**	**3,741.60**
Attributable to :					
- Owners of the Company	709.62	1,027.36	654.18	3,919.83	3,821.58
- Non controlling interest	86.71	(12.76)	(39.40)	50.71	(79.98)
Other Comprehensive Income	**(4.12)**	**(3.29)**	**10.82**	**(30.51)**	**0.59**
Items that will not be reclassified to profit or loss	(7.55)	(4.07)	13.87	(46.08)	(0.05)
Income tax relating to items that will not be reclassified to profit or loss	3.43	0.78	(3.05)	15.57	0.64
Total Comprehensive Income	**792.21**	**1,011.31**	**625.60**	**3,940.03**	**3,742.19**
Attributable to :					
- Owners of the Company	705.50	1,024.07	665.00	3,889.32	3,822.17
- Non controlling interest	86.71	(12.76)	(39.40)	50.71	(79.98)
Paid Up Equity Share Capital (Face Value of ₹ 1 each)	136.03	136.03	135.99	136.03	135.99
Other Equity				25,725.16	21,823.89
Earnings Per Share (of ₹ 1 each) (not annualised) :					
Basic	5.22	7.55	4.81	28.82	28.10
Diluted	5.21	7.54	4.79	28.79	28.07
See accompanying notes to the consolidated financial results					

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ERIS LIFESCIENCES LTD.

Notes to the financial result

1. Statement of Consolidated Assets and Liabilities

(₹ in Million)

Particulars	As at March 31, 2024 (Audited)	As at March 31, 2023 (Audited)
I. ASSETS :		
(1) Non-current assets		
(a) Property, Plant and Equipment	4,562.14	3,039.84
(b) Right-of-use asset	483.83	520.17
(c) Capital work-in-progress	190.56	213.78
(d) Goodwill	8,612.13	3,318.49
(e) Other Intangible assets	29,617.14	18,802.53
(f) Intangible assets under development	6.11	3.43
(g) Financial assets		
Investments	155.43	66.93
Loans	10.42	9.64
Other financial asset	93.29	76.53
(h) Income tax assets (net)	489.49	45.48
(i) Deferred tax assets (net)	3,069.41	2,739.45
(j) Other non-current assets	177.69	189.79
Total Non-current assets	**47,467.64**	**29,026.06**
(2) Current assets		
(a) Inventories	1,890.32	1,314.35
(b) Financial assets		
Investments	0.02	300.07
Trade receivables	4,220.24	2,927.09
Cash and cash equivalents	942.45	560.22
Other bank balances	13,063.85	24.35
Loans	55.59	39.86
Other financial assets	22.21	7.79
(c) Other current assets	2,826.05	2,473.49
Total Current assets	**23,020.73**	**7,647.22**
TOTAL- ASSETS	**70,488.37**	**36,673.28**
II. EQUITY AND LIABILITIES :		
(1) Equity		
(a) Share capital	136.03	135.99
(b) Other Equity	25,725.16	21,823.89
Equity attributable to the owners of the Company	25,861.19	21,959.88
(c) Non-controlling Interest	6,359.12	246.89
Total Equity	**32,220.31**	**22,206.77**
(2) Non-current liabilities		
(a) Financial Liabilities		
Borrowings	6,545.07	6,444.47
Lease Liabilities	370.19	389.74
Other financial liabilities	62.78	69.18
(b) Long-term provisions	527.23	441.19
(c) Other non-current liabilities	13.84	113.22
(d) Deferred tax liabilities (net)	5,428.18	2,576.38
Total Non-current liabilities	**12,947.29**	**10,034.18**
(3) Current liabilities		
(a) Financial Liabilities		
Borrowings	20,807.60	1,855.69
Lease Liabilities	89.83	77.21
Trade payables		
A) Due to Micro and Small Enterprises	266.00	187.52
B) Due to other than Micro and Small Enterprises	2,417.48	1,060.17
Other financial liabilities	233.85	301.15
(b) Short-term provisions	620.49	694.37
(c) Other current liabilities	489.62	217.22
(d) Income tax liabilities (net)	395.90	39.00
Total Current liabilities	**25,320.77**	**4,432.33**
Total Liabilities	**38,268.06**	**14,466.51**
TOTAL- EQUITY AND LIABILITIES	**70,488.37**	**36,673.28**

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ERIS LIFESCIENCES LTD.

2. Statement of Consolidated Cash Flows for the year ended March 31, 2024

(₹ in million)

Particulars	For the Year Ended March 31, 2024 (Audited)	For the Year Ended March 31, 2023 (Audited)
A. Cash flow from operating activities		
Profit before tax	4,312.39	4,046.43
Adjustments for :		
Depreciation and amortisation expense	1,826.05	1,170.88
Net Loss on property plant and equipment sold/written off	21.42	20.18
Finance costs	848.01	261.68
Interest income	(70.10)	(22.99)
Acquisition expense for investment in subsidiary	8.00	18.86
Net gain on sale of investments carried at fair value through profit or loss	(55.26)	(71.27)
Net MTM gain on investments carried at fair value through profit or loss	(38.50)	(0.05)
Provision for other financial assets	-	1.99
Bad debt written off	-	0.67
Deferred capital subsidy	(4.52)	(4.78)
Gain From Termination of Lease	-	(7.99)
Share based payment expense	7.50	31.21
Operating profit before working capital changes	6,854.99	5,444.82
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(570.93)	(1,171.38)
Inventories	(169.40)	47.44
Other asset	(162.20)	(764.59)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	909.78	(104.97)
Financial Liabilities	(734.38)	36.12
Provisions	(35.90)	216.99
Other liabilities	(224.36)	(14.97)
Cash generated from operations	**5,867.60**	**3,689.46**
Net income tax paid	(1,007.54)	(772.08)
Net cash flow from operating activities (A)	**4,860.06**	**2,917.38**
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(1,291.63)	(8,414.21)
Proceeds from sale of property plant and equipment	-	1.37
Consideration paid towards business combination (Including transaction costs)	(5,668.00)	(6,554.91)
Investments in mutual funds and fixed deposit	178.75	(300.00)
Proceeds from redemption of mutual funds and fixed deposit	305.31	5,204.39
Loan given	(16.51)	(9.23)
Repayment of loan given to others received	-	215.97
Investment in Bank balances not considered as cash and cash equivalents	(12,123.09)	(5.15)
Interest received	69.94	40.76
Net cash flow used in investing activities (B)	**(18,545.23)**	**(9,821.01)**
C. Cash flow from financing activities		
Proceeds of borrowings	16,230.98	11,350.05
Repayment of borrowings	(1,593.99)	(3,500.00)
Finance costs	(772.97)	(234.30)
Dividend paid	-	(999.11)
Payment towards acquisition of the Non-controlling interest	(102.80)	-
Principal element to lease payment	(8.86)	(87.12)
Compulsory convertible debentures proceeds	-	327.95
Proceeds from issue of equity share capital (Employee stock options plan)	45.43	22.78
Net cash flow from financing activities (C)	**13,797.79**	**6,880.25**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**112.62**	**(23.38)**
Cash and cash equivalents at the beginning of the period	**560.22**	**508.70**
Cash and cash equivalents acquired pursuant to business acquisition	**269.61**	**74.90**
Cash and cash equivalents at end of the period	**942.45**	**560.22**

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ERIS LIFESCIENCES LTD.

3. Additional information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended for the quarter and year ended March 31, 2024

			Quarter ended			Year ended	
Ratio	Numerator	Denominator	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
Debt-equity ratio	Total Debt (including lease liabilities)	Total Equity	0.86	0.44	0.39	0.86	0.39
Debt service coverage ratio	Profit after tax-Other income+Depreciation+Interest+Committed Principal repayments made during the period for long term loans	Interest expense +Committed Principal repayments made during the period for long term loans	2.22	5.91	5.81	3.56	13.92
Interest service coverage ratio	Earnings before Interest and Tax	Interest expense	3.32	7.40	9.56	6.09	16.46
Outstanding redeemable preference shares (quantity and value)			Nil	Nil	Nil	Nil	Nil
Capital redemption reserve/debenture redemption reserve (₹ in million)			1.74	1.74	1.74	1.74	1.74
Net worth (₹ in million)			32,220.31	25,295.39	22,206.77	32,220.31	22,206.77
Net profit after tax (₹ in million)			796.33	1,014.60	614.78	3,970.54	3,741.60
Earnings per share:			5.22	7.55	4.81	28.82	28.10
Current ratio	Current assets	Current liabilities	0.91	1.85	1.73	0.91	1.73
Long term debt to working capital (Refer note 10)	Long-term debt/ lease liabilities+Current maturity of long-term debt/ lease liabilities	Current Assets-Current liabilities excluding Current maturity of long-term debt	1.62	1.79	1.81	1.62	1.81
Bad debts to Account receivable ratio	Bad debts	Trade receivables	0.00	-	-	0.00	0.00
Current liability ratio	Current liabilities	Total liabilities	0.66	0.30	0.31	0.66	0.31
Total debts to total assets	Total Debt	Total Assets	0.39	0.26	0.24	0.39	0.24
Debtors' turnover*	Sales	Debtors	4.72	3.85	5.68	4.72	5.68
Inventory turnover*	Cost of goods sold	Average Inventory	2.37	2.04	2.83	2.37	2.83
Operating margin percent	Earnings before Interest and Tax	Revenue from Operations	20%	28%	21%	26%	26%
Net profit margin percent	Profit after tax	Revenue from Operations	14%	21%	15%	20%	22%

*Quarterly ratios based on Trailing Twelve Months values

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Notes to financial results

4 The above statement of financial results ("the Statement") of the Group has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 21, 2024.

5 The Group is primarily engaged in one business segment namely - "Pharmaceuticals" - as determined by the chief operating decision maker in accordance with Ind AS 108 - "Operating Segment".

6 The figures for the quarter ended March 31, 2024 and quarter ended March 31, 2023 as reported in these financial results are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the current year and previous financial year which was subject to limited review.

7 During the quarter ended June 30, 2023 , Parent Company Eris Lifesciences Limited (ELL) has operationally integrated the domestic formulations business of its subsidiary Eris Oaknet Healthcare Private Limited (EOHPL) vide a subsisting Royalty based Trademark License agreement which confers upon ELL the rights to use the trademarks owned by EOHPL. Further, during quarter ended September 30, 2023, pursuant to a Deed of assignment of Trademark entered into between EOHPL and Parent Company (ELL), ELL has acquired all the rights, title and interest to the certain trademarks owned by the EOHPL, for a consideration of ₹ 3,396.80 million, being the Net book value of the said trademarks on the date of the transfer.
The above transactions do not have an impact on the Consolidated financial results of the Parent Company.

8 During the quarter ended December 31, 2023 , the Group has completed acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of ₹ 3,660.00 million on a slump sale basis. The acquisition was completed on November 9, 2023. The Group has determined the fair values of identified assets and liabilities for the purpose of Purchase price allocation. The results of the current quarter ended March 31, 2024 are not comparable with those of corresponding periods included in the aforesaid statement due to said acquisition.

9 During the quarter ended March 31, 2024, the Group has completed acquisition of 28,46,639 equity shares representing 51% of equity share capital of Swiss Parenterals Limited (SPL) and obtained control on February 14, 2024 from its erstwhile shareholders for a consideration of ₹ 6,375 million. The consideration was settled through Cash Consideration of ₹ 2,000 million and issuance of 43,750 8% Secured Redeemable Non-Convertible Debentures of ₹ 4,375 million which are repayable at the end of one year seven days from the issue date. Subsequent to the year end, the Parent Company has further acquired 10,60,512 shares of SPL representing 19% of its equity share capital of SPL on April 18, 2024 for a consideration of ₹ 2,375 million.

10 Subsequent to the year end, the Group has completed acquisition of the Indian Branded Formulations business comprising of Insulin, Oncology and Critical Care products from Biocon Biologics Limited for a consideration of ₹ 12,420 million on a slump sale basis. The acquisition was completed on April 1, 2024. For the purpose of this acquisition, the Parent Company has availed bridge loan in the form of Commercial Papers of ₹ 9,750 million having a tenor of 90 days which are listed and unsecured in nature. Current liabilities as on March 31, 2024 includes Commercial Papers of ₹ 9,750 million which the company intends to re-finance by way of long –term debt in June 2024.

11 The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For Eris Lifesciences Limited,

DELOITTE HASKINS & SELLS AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Amit Bakshi
Chairman and Managing Director
DIN : 01250925

Place: Ahmedabad
Date: May 21, 2024

Deloitte Haskins & Sells LLP

Chartered Accountants
19th floor, Shapath-V
S.G. Highway
Ahmedabad-380 015
Gujarat, India

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INDEPENDENT AUDITOR'S REPORT

To The Members of Eris Lifesciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Eris Lifesciences Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2023, 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 standalone 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 2023, 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 standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Assessment of impairment of non-current investments in wholly owned subsidiary Aprica Healthcare Limited.** (Refer note 3.4 to the Standalone Financial Statements.) The Company has investments aggregating to Rs. 2,264.24 million in Aprica Healthcare Limited (AHL), a wholly owned subsidiary. These investments are accounted for at cost less impairment, if any in the Standalone Balance Sheet as at 31 March 2023. The net worth of AHL is lower than the carrying value of the investments. The Company has accordingly tested the carrying value of investments in AHL for impairment. The Company's evaluation of impairment of its investment involves the comparison of recoverable value to their corresponding carrying values in the Company. The Company used the discounted cash flow model to estimate recoverable values, which requires management to make estimates and assumptions related to forecasts of future revenues and operating margins, and discount rates. Changes in these assumptions could have a significant impact on either the recoverable value or the amount of any impairment charge, or both with a consequent impact on the Standalone Financial Statements of the Company. In view of the foregoing, valuation and allocation of investment in AHL has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out the valuation of AHL and reviewed the valuation report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates and retrospective review of the projections (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation model used by the management's expert and testing the underlying assumptions related to the discount rates and the terminal growth rates applied to the forecasted cashflows to determine the recoverable values.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report in Annual Report for the year ended March 31, 2023, but does not include the standalone financial statements, Consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

11As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

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 standalone financial statements - Refer Note 33 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 37 (B) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the note 37 (B) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS AHMEDABAD

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

H. S. Sutaria

DELOITTE HASKINS & SELLS LLP * AHMEDABAD * CHARTERED ACCOUNTANTS

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAG4517)

Place: Ahmedabad
Date: May 17, 2023

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 with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Eris Lifesciences Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 with reference to standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAG4517)

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 17, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF ERIS LIFESCIENCES LIMITED

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

(i)

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment and Right of use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (Other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (As amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at

points of time during the year, from banks on the basis of security of current assets. The Company is in the process of creating security for loans amounting to Rs. 1250 Millions In our opinion and according to the information and explanations given to us, the quarterly statements comprising of stock statements, book debt statements, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with unaudited books of account of the Company of the respective quarters.

(iii) The Company has made investments in, provided guarantee and granted unsecured loans to companies and other party during the year.

(a) The Company has provided loans, stood guarantee, or provided security during the year and details of which are given below:

Rs. in Million

	Loan	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	4,277.50	6,050.00
- Others	9.23	0.00
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries	1,158.94	6,050.00
- Others	9.64	0.00

* The amounts reported are at gross amounts, without considering provisions made.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) The Company has granted loans that are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below).

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted Loans which are repayable on demand details of which are given below:

	All Parties*	Related Parties*	Others*
Aggregate of loans -Repayable on demand (A)	4,286.73	4,277.50	9.23
Percentage of loans to the total loans	100%	99.78%	0.22%

* The amounts reported are at gross amounts, without considering provisions made.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be Deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in millions)	Amount Unpaid (Rs. in millions)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2016-2017	0.80	0.80
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2017-2018	0.26	0.26

(vii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(viii) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(ix) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the paragraph 3 of the order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of paragraph 3 of order is not applicable to the Company.

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

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of report.

(xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the order is not applicable.

(xii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiii) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2022 and the draft of the internal audit reports where issued after the balance sheet date covering the period January 2023 to March 2023 for the period under audit.

(xiv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of it's subsidiary companies or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable

(xvi) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xvii) There has been no resignation of the statutory auditors of the Company during the year.

(xviii) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the

assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xix) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

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

H. S. Sutaria

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Hardik Sutaria
(Partner)
(Membership No.116642)
(UDIN - 23116642BGWGAG4517)

Place: Ahmedabad
Date: May 17, 2023

ERIS LIFESCIENCES LIMITED

Standalone Balance Sheet as at March 31, 2023

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS :			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2(a)	1,058.00	998.30
(b) Right-of-use asset	2(a)	465.99	461.84
(c) Goodwill	2(b)	166.60	166.60
(d) Other Intangible assets	2(b)	7,287.54	4,793.29
(e) Intangible assets under development	2(b)	3.43	29.82
(f) Financial assets			
Investments	3	9,665.15	6,781.76
Loans	10	749.36	28.20
Other financial asset	5	64.40	43.85
(g) Income tax assets (net)	4(d)	34.87	34.67
(h) Deferred tax assets (net)	4(f)	2,737.84	2,361.11
(i) Other non-current assets	6	82.65	4.63
Total Non Current Assets		**22,315.83**	**15,704.07**
(2) Current Assets			
(a) Inventories	7	636.99	847.91
(b) Financial assets			
Investments	3	300.05	995.46
Trade receivables	8	2,292.18	1,375.55
Cash and cash equivalents	9(a)	474.82	447.04
Other bank balances	9(b)	1.67	14.01
Loans	10	432.26	522.10
Other financial asset	5	6.97	673.14
(c) Other current assets	6	1,375.81	924.88
Total Current Assets		**5,520.75**	**5,800.09**
TOTAL- ASSETS		**27,836.58**	**21,504.16**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.99	135.93
(b) Other Equity	12	22,082.85	19,049.63
Total Equity		**22,218.84**	**19,185.56**
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	2,094.71	-
Lease Liabilities	14	356.76	345.04
(b) Long-term provisions	15	310.32	288.38
(c) Other non-current liabilities	16	18.21	22.82
Total Non Current Liabilities		**2,780.00**	**656.24**
(3) Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	1,074.00	-
Lease Liabilities	14	55.39	36.73
Trade payables	17		
A) Due to Micro and Small Enterprises		118.05	41.49
B) Due to other than Micro and Small Enterprises		712.69	926.21
Other financial liabilities	14	84.42	59.81
(b) Short-term provisions	15	584.58	377.82
(c) Other current liabilities	16	170.53	169.52
(d) Income tax liabilities (net)	4(e)	38.08	50.78
Total Current Liabilities		**2,837.74**	**1,662.36**
Total Liabilities		**5,617.74**	**2,318.60**
TOTAL- EQUITY AND LIABILITIES		**27,836.58**	**21,504.16**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Amit L Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01285388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2023

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
REVENUE:			
Revenue from operations			
Sale of products	18	13,071.20	11,937.73
Other operating income		236.05	219.57
Total Revenue from Operations		**13,307.25**	**12,157.30**
Other income	19	172.64	289.89
Total Revenue (I)		**13,479.89**	**12,447.19**
EXPENSES:			
(a) Cost of materials consumed	20	1,141.27	1,175.73
(b) Purchases of stock-in-trade		1,137.56	795.88
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	85.01	24.90
(d) Employee benefits expense	22	2,525.20	2,201.09
(e) Other expenses	23	3,367.07	3,119.75
Total (II)		**8,256.11**	**7,317.35**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,223.78**	**5,129.84**
Finance costs	24	208.10	29.91
Depreciation and amortisation expense	2 (c)	646.57	514.55
Profit before tax		**4,369.11**	**4,585.38**
Tax expenses :			
(a) Current tax	4	764.96	801.72
(b) Deferred tax		(375.93)	(388.26)
Total tax expense		**389.03**	**413.46**
Profit for the year		**3,980.08**	**4,171.92**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(2.29)	(15.44)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		0.80	5.39
		(1.49)	**(10.05)**
Total Comprehensive Income for the year		**3,978.59**	**4,161.87**
Earnings per equity share of face value ₹ 1 each			
Basic (₹)	25	29.27	30.70
Diluted (₹)		29.23	30.70

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

ERIS LIFESCIENCES LTD.

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Standalone Statement of Cash Flows for the year ended March 31, 2023

(₹ in million)

Particulars	For the year ended March 31,2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	4,369.11	4,585.38
Adjustments for :		
Depreciation and amortisation expense	646.57	514.55
Net Loss on property plant and equipment sold/written off	8.01	42.54
Finance costs	208.10	29.91
Interest Income	(82.77)	(99.09)
Provision / (Reversal) for doubtful debt / other financial assets	1.99	(1.52)
Bad debt written off	-	0.02
Deferred Capital Subsidy	(4.78)	(4.83)
Net gain on sale of investments carried at fair value through profit or loss	(71.27)	(21.73)
Net MTM gain on investments carried at fair value through profit or loss	(0.05)	(144.36)
Gain from termination of lease	-	(18.68)
Share based payment expense	31.21	13.55
Operating profit before working capital changes	5,106.12	4,895.74
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(916.63)	(237.98)
Inventories	210.92	(199.05)
Other assets	(514.29)	(140.07)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(136.86)	100.47
Financial Liabilities	24.29	(20.60)
Provisions	226.41	91.21
Other Liabilities	1.18	33.80
Cash generated from operations	4,001.14	4,523.12
Net income tax paid	(777.86)	(829.00)
Net cash flow from operating activities (A)	**3,223.28**	**3,694.12**
B. Cash flow from investing activities		-377.39
Purchase of property, plant and equipment (including other intangible assets)	(3,112.65)	(532.83)
Proceeds from sale of property plant and equipment	1.29	7.58
Consideration paid towards investment in subsidiaries	(7,054.91)	(250.08)
Investments in mutual funds and fixed deposit	(300.00)	(2,676.49)
Proceeds from redemption of mutual funds and fixed deposit	5,853.39	795.87
Proceeds from redemption of investments in Bonds of subsidiaries	-	50.00
Loan given to Subsidiaries	(4,327.08)	(38.03)
Loan repaid by Subsidiaries	3,479.40	46.41
Repayment of loan given to others received	223.60	3.08
Loan to Others given	(9.23)	(159.15)
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	12.34	(0.91)
Interest income	100.89	78.19
Net cash used in investing activities (B)	**(5,132.96)**	**(2,676.36)**

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Standalone Statement of Cash Flow for the year ended March 31, 2023

Particulars	For the year ended March 31,2023	For the year ended March 31, 2022
C. Cash flow from financing activities		
Proceeds from borrowings	6,668.71	-
Repayment of borrowings	(3,500.00)	-
Proceeds of borrowings from subsidiary	325.00	-
Repayment of borrowings to subsidiary	(325.00)	-
Finance costs	(206.53)	(26.98)
Principal element to lease payment	(48.39)	(112.95)
Proceeds from issue of equity share capital (Employee stock options plan)	22.78	67.45
Share application money	-	4.51
Dividend paid	(999.11)	(816.23)
Net cash flow from / (used in) financing activities (C)	**1,937.46**	**(884.20)**
Net increase in cash and cash equivalents (A+B+C)	**27.78**	**133.56**
Cash and cash equivalents at the beginning of the year	447.04	**313.48**
Cash and cash equivalents at end of the year {Refer note-9(a)}	474.82	**447.04**

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}		
Cash on hand	0.13	0.78
Balance with banks		
In Current Account	431.75	341.10
Cheque in hand	42.94	105.16
Cash and Cash Equivalents as per Cash flow statement	**474.82**	**447.04**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

ERIS LIFESCIENCES LTD.

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2023

(₹ in million)

A. Equity Share Capital

Particulars (refer note-11)	Amount
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**
Change in Equity Share Capital	0.06
As at March 31, 2023	**135.99**

(₹ in million)

B. Other Equity

Particulars (refer note-12)	Retained Earnings	Security Premium	Share based payment reserve	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2021	**15,577.39**	-	**39.76**	-	**1.74**	**15,618.89**
Add: Profit for the year	4,171.92	-	-	-	-	4,171.92
Less: Payment of Dividend	(816.48)	-	-	-	-	(816.48)
Add: Other comprehensive Income for the year	(10.05)	-	-	-	-	(10.05)
Add: Pursuant to Issue of share capital on account of exercie of options	-	67.29	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-
Add: Share based payments to employees of the company	-	-	13.55	-	-	13.55
As at March 31, 2022	**18,922.78**	**106.13**	**14.47**	**4.51**	**1.74**	**19,049.63**
Add: Profit for the year	3,980.08	-	-	-	-	3,980.08
Less: Payment of Dividend (Refer note 11.6)	(999.31)	-	-	-	-	(999.31)
Add: Other comprehensive Income for the year	(1.49)	-	-	-	-	(1.49)
Add: Pursuant to Issue of share capital on account of exercise of options	-	27.24	-	(4.51)	-	22.73
Less: Transfer on account of exercise of options	-	17.64	(17.64)	-	-	-
Add: Share based payments to employees of the company	-	-	31.21	-	-	31.21
As at March 31, 2023	**21,902.06**	**151.01**	**28.04**	**-**	**1.74**	**22,082.85**

See accompanying notes forming part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Amit V. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

ERIS LIFESCIENCES LTD.

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at Shivarth Ambit, Plot No. 142/2, Ram Das Road , Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380 054, Gujarat, India. The Company is engaged in the manufacture and marketing of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies.

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116
- Long term borrowings at amortised cost using the effective interest rate method
- Share based payments are measured at fair value
- Assets acquired and liabilities assumed as part of business combination are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification.

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. , Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Critical Accounting Judgements And Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.3)
- Useful lives of property, plant and equipment (refer note 1.4)
- Useful lives of intangible assets (refer note 1.5)
- Impairment of asset (refer note 1.8 & 3.4)
- Valuation of inventories (refer note 1.9)
- Employee benefits (refer note 1.13)
- Valuation of deferred tax assets (refer note 1.14)
- Provisions & contingent liabilities (refer note 1.15)
- Employee Stock Option Plan (refer note 35)

1.3 Revenue recognition:

a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

b) Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.
At the time of recognising provision for sales return Expected reimbursement towards likely sales return is recognied, which is included in other current assets for the products expected to be returned. The Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

c. Other Income:
i) Dividend income is recognized when the right to receive dividend is established.
ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.
iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Property, Plant and Equipment:
Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation is recognised on straight line method based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. In case of addition to building, depreciation is provided on the balance useful life available for use. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use.

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under -

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric installation	10 years
Lease hold improvements	Over the period of lease term.
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use.

1.5 Intangible Assets:
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below

Type of Intangible assets	Useful life
Trademark/Brands	Upto 20 years
License Fees	From 3 to 15 years
Non-compete fees	Upto 5 years.
Software	Upto 6 years

1.6 Business combinations and Goodwill
1.6.1 Business combinations
Business Combinations are accounted for using the acquisition method of accounting. The acquisition date is the date on which control is transferred to the acquirer.
The consideration transferred for the acquisition of a subsidiary is comprised of:
* fair values of the assets transferred;
* liabilities incurred to the former owners of the acquired business;
* equity interests issued by the Company;
* fair value of any asset or liability resulting from a contingent consideration arrangement; and
* fair value of any pre-existing equity interest in the subsidiary
The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

1.6.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.7 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The company measures equity investments other than investments in subsidiaries at FVTPL in accordance with the requirements of IND AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per IND AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LIMITED

1.8 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.9 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.10 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the company's cash management.

1.11 Borrowings cost:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.12 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the profit or loss attributable to the owners of the company by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.13 Employee Benefits:

(A) **Defined contribution plan:** The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) **Defined benefit obligations plan:**

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) **Short-term employee benefits**

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.14 **Taxes on Income:**

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

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Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.16 Leases:

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer Note 33)

Lease liability and Right of use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.17 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.18 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

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1.19 Perpetual bond :

The company invests in unsecured subordinated perpetual securities. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

1.20 Share-based payment transactions:

Employees Stock Options Plans (ESOP) : Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below.

Amendments to existing Ind AS:

Ind AS 1 – Presentation of Financial Statements

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of this amendment is insignificant in the company's financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

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Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment :

(₹ in million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electrical Installation	Lease hold Improvements	Total	Right of use asset (Refer note 34) *
Gross carrying amount:										
As at March 31, 2021	22.98	325.97	354.98	188.52	413.66	170.22	35.12	-	1,512.45	182.77
Additions during the Year	-	-	2.37	3.66	310.76	68.82	-	84.80	470.41	498.61
Deductions during the Year	-	-	-	1.01	212.10	104.41	0.24	-	317.76	172.23
As at March 31, 2022	22.98	325.97	357.35	191.17	512.32	134.63	35.88	84.80	1,665.10	505.15
Additions during the year	-	38.84	0.27	52.51	185.83	-	-	5.88	283.33	87.37
Deductions during the year	-	-	0.26	1.13	98.30	-	-	-	99.69	-
As at March 31, 2023	22.98	364.81	357.36	242.55	599.85	134.63	35.88	90.68	1,848.74	592.52
Accumulated depreciation:										
As at March 31, 2021	-	94.65	178.80	99.58	300.45	96.79	13.82	-	784.09	159.31
Depreciation for the Year	-	8.13	16.36	12.75	87.63	19.07	2.54	3.92	150.40	42.41
Deductions during the Year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	-	102.78	195.16	111.46	210.52	26.84	16.12	3.92	666.80	43.31
Depreciation for the year	-	8.63	16.14	15.40	145.66	15.34	2.50	10.66	214.33	83.22
Deductions during the year	-	-	0.20	0.66	89.47	-	-	-	90.39	-
As at March 31, 2023	-	111.41	211.04	126.20	266.71	42.18	18.62	14.58	790.74	126.53
Net carrying amount:										
As at March 31, 2022	22.98	223.19	162.19	79.71	301.80	107.79	19.76	80.88	998.30	461.84
As at March 31, 2023	22.98	253.40	146.32	116.35	333.14	92.45	17.26	76.10	1,058.00	465.99

* Right of use asset consists of lease hold buildings.

(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark / Brand/ License fees *	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2021	166.60	5,181.11	50.00	75.82	5,306.93
Additions during the year	-	125.00	-	65.22	190.22
Deductions during the Year	-	-	-	-	-
As at March 31, 2022	166.60	5,306.11	50.00	141.04	5,497.15
Additions during the year	-	2,811.49	-	31.78	2,843.27
Deductions during the year	-	-	-	-	-
As at March 31, 2023	166.60	8,117.60	50.00	172.82	8,340.42
Accumulated Amortisation:					
As at March 31, 2021	-	317.17	46.46	18.49	382.12
Amortisation for the Year	-	297.37	3.54	20.83	321.74
As at March 31, 2022	-	614.54	50.00	39.32	703.86
Amortisation for the year	-	323.03	-	25.99	349.02
As at March 31, 2023	-	937.57	50.00	65.31	1,052.88
Net carrying amount					
As at March 31, 2022	166.60	4,691.57	-	101.72	4,793.29
As at March 31, 2023	166.60	7,180.03	-	107.51	7,287.54
Intangible assets under development					
As at March 31, 2022	-	-	-	29.82	29.82
As at March 31, 2023	-	-	-	3.43	3.43

Note:
Intangible assets under development:

Ageing Schedule

(₹ in million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		-	-	-	3.43	3.43
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Total		14.27	12.12	3.43		29.82

Intantible assets under development - Completion Schedule

(₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total			3.43	-		3.43
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		26.39		3.43		29.82

1. The Company tests impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related. Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 166.60 millions generated on acquisition of brands.

The key assumptions for CGUs with significant amount of goodwill as follows:
Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors. The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

(c) Depreciation and amortisation expense :

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property plant and equipment	214.33	150.40
Depreciation of right of use assets	83.22	42.41
Amortisation of intangible assets	349.02	321.74
Total	**646.57**	**514.55**

* Trademark/ Brand/ License fees addition during the year includes ₹ 2,750 million for acquisition of 9 brands of Dr. Reddy's Laboratories Limited. (Refer note 27.3)

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Note 3: Investments

(₹ in million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Non current Investments				
(i) At cost				
(A) Investment in subsidiaries				
(a) In equity instruments of subsidiaries (unquoted) (fully paid up) (Refer note 26)				
Equity shares of ₹10 each held in Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited) (Refer note 3.3 below)	1,82,504	56.92	1,82,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Refer note 3.4 & 27.2)	95,12,023	2,064.24	73,45,361	1,166.32
Equity shares of ₹10 each held in Eris Healthcare Private Limited (Refer note 27.2)	10,000	2.08	43,33,331	900.00
Equity shares of ₹10 each held in Eris Therapeutics Limited	10,000	0.10	10,000	0.10
Equity shares of ₹10 each held in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27.1)	18,40,52,259	6,554.90	-	-
(b) In preference shares of subsidiaries (unquoted) (fully paid up)				
0.01% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹100 each held in Eris Therapeutics Limited	24,75,000	249.98	24,75,000	249.98
3% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹44 each held in Eris M.J. Biopharm Private Limited	1,11,11,334	500.01	-	-
0.01% Compulsory convertible Non-Cumulative Redeemable Preference shares of ₹10 each held in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27.1)	32	-	-	-
(c) In Unsecured Perpetual Securities of subsidiaries (Unquoted) (Refer note 3.2 below)				
Perpetual securities of ₹10 each held in Aprica Healthcare Limited	2,00,00,000	200.00	2,00,00,000	200.00
Sub Total A=(a+b+c)		9,628.23		2,573.32
(B) Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.00	500	5.29
Sub Total B		5.00		5.29
Sub Total (i) = A+B		9,633.23		2,578.61
(ii) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	-	-	3,47,183	426.11
ABSL Banking PSU Fund Growth Direct	-	-	4,07,032	123.87
HDFC Ultra Short Fund Direct Growth	-	-	6,25,59,806	776.54
HDFC Floating Rate Income Fund Direct Plan Growth	-	-	99,74,232	399.92
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	-	-	8,47,618	371.01
ABSL Floating Rate Fund -Growth Direct	-	-	12,92,840	366.58
Kotak Savings Fund Direct Plan Growth	-	-	1,17,69,499	424.06
SBI Magnum Ultra Short Duration Fund - Growth Direct	-	-	1,64,707	806.58
IDFC Corporate Bond Fund Direct Plan Growth	-	-	2,96,98,080	476.36
		-		4,171.03
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.10	1,000	1.18
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.11	1,000	1.16
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.09	1,000	1.16
		3.30		3.50
(C) Investment in Equity Instruments				
53V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
		28.62		28.62
Sub Total (ii) = A+B+C		31.92		4,203.15
Total (i)+(ii)		9,665.15		6,781.76
Current Investments				
(i) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
SBI Overnight Fund Direct Growth	82,221	300.05	-	-
SBI Premier Liquid Fund Direct Growth	-	-	1,71,801	572.63
HDFC Liquid Fund Direct Plan Growth Option	-	-	1,01,041	422.83
Total (i)		300.05		995.46
Aggregate carrying value of quoted investments		3.30		3.50
Aggregate market value of quoted investments		3.30		3.50
Aggregate carrying value of unquoted investments		9,961.90		7,773.72

3.1 Details of pledged securities:

Include ₹ Nil million (31-03-2022 - ₹350.00 million) marked under lien against overdraft facilities availed by the company.

3.2 Details of perpetual securities:

In the financial year 2018-19, the company has invested in unsecured subordinated perpetual securities issued by Aprica Healthcare Limited , its subsidiary company . These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as equity instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

3.3 Lock In period for Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited)

As per share purchase & shareholders agreement, For a period of 10 (ten) years , Eris Lifesciences Limited and M.J. Biopharm Private Limited shall not, directly or indirectly, transfer or attempt to transfer all or any of the Equity Shares (or any interest therein) held by it to any Person.

3.4. The networth of this subsidiary is less than the total exposure of the Company in the said subsidiary as at March 31, 2023. However in view of the strategic nature of the investment in this Company and also considering the future business plans and cash flow projections of the Company the same is valued at cost and no impairment allowance is required to be provided for.

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Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for the year	764.96	801.72
Deferred tax:		
Deferred tax (benefit) for the year	(375.93)	(388.26)
	389.03	413.46
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(0.80)	(5.39)
	(0.80)	(5.39)
(c) Reconciliation of tax expense :		
Profit before income taxes	4,369.11	4,585.38
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,526.74	1,602.32
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.82	65.48
Effect of income exempt from taxation	(1.47)	(1.23)
Tax incentives	(1,270.11)	(1,272.57)
Adjustment of current tax of prior year	0.03	(9.50)
Others (net)	67.22	23.57
Adjusted income tax expense	388.23	408.07
Effective Tax Rate	8.89%	8.90%

(d) Income Tax Assets :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	34.67	34.63
Add: Tax paid in advance, net of provisions/(Refund) during the year	0.20	0.04
Closing Balance	**34.87**	**34.67**

(e) Income Tax Liabilities :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	50.78	75.07
Add: Prior period adjustment	1.89	(6.55)
Add: Current tax payable for the year	764.93	811.22
Less: Taxes paid	(779.52)	(828.96)
Closing Balance	**38.08**	**50.78**

(f) Deferred tax assets/ liabilities :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	71.18	69.87
Minimum Alternate Tax credit entitlement	3,848.38	3,369.95
Employee benefits	53.51	43.55
Fair Valuation of Investment	1.51	-
Other	16.81	23.66
	3,991.39	**3,507.03**
Deferred tax liabilities		
Intangible assets	1,253.55	1,092.13
Fair Valuation of Investment	-	53.79
	1,253.55	**1,145.92**
Total	**2,737.84**	**2,361.11**

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(₹ in million)

Particulars	Property, plant and equipments	Minimum Alternate Tax credit entitlement	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :							
At March 31, 2021	234.26	2,798.02	53.18	(1,000.70)	(4.63)	17.32	1,967.47
Charged/(Credited)							
- To Profit or Loss	64.39	(601.93)	14.94	91.43	49.26	(6.34)	(388.25)
- To other comprehensive income	-	-	(5.39)	-	-	-	(5.39)
At March 31, 2022	69.87	3,369.95	43.55	(1,092.13)	(53.79)	23.66	2,361.11
Charged/(Credited)							
- To Profit or Loss	(1.31)	(478.43)	(9.16)	161.42	(55.30)	6.85	(375.93)
- To other comprehensive income			(0.80)	-		-	(0.80)
At March 31, 2023	71.18	3,848.38	53.51	(1,253.55)	1.51	16.81	2,737.84

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Security deposits	64.40	43.85
	64.40	43.85
Current		
Insurance claim receivable	0.49	0.54
Fixed Deposits	-	618.99
Interest accrued	0.29	18.27
Security deposits	1.13	29.59
Claims and Other receivables		
- Considered Good	5.06	5.75
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	6.97	673.14
Total	71.37	716.99

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital Advances	10.90	4.63
Claims and Other receivables (Refer note 33)	50.00	-
Prepaid expenses	21.75	-
	82.65	4.63
Current		
Prepaid expenses	124.14	185.10
Balances with government authorities		
Goods and services tax credit receivable	639.59	151.22
Others	3.04	4.36
Expected Reimbursement Towards Likely Sales Return (Refer note 1.3b and note 15)	45.00	-
Advances to supplier	560.80	584.00
Advances to employees	3.24	0.20
	1,375.81	924.88
Total	1,458.46	929.51

Hypothecated against working capital loan.

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material and Packing Material (including goods-in-transit ₹10.90 millions (March 31, 2022 - ₹ 11.83 millions))	266.51	387.84
Work-in-progress	35.18	19.78
Finished goods	149.12	232.51
Stock-in-trade (including goods-in-transit ₹6.81 millions (March 31, 2022- ₹ 35.72 millions))	182.74	199.76
Stores, spares & consumables	3.44	8.02
Total	636.99	847.91

Hypothecated against working capital loan.

Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Considered good	-	-
Unsecured Considered good	2,292.18	1,375.55
Trade Receivables which have significant increase in Credit Risk	17.09	17.09
Trade Receivables-credit impaired	8.09	8.09
	2,309.27	1,392.64
Less: Allowance for doubtful debt (expected credit loss)	17.09	17.09
Total	**2,292.18**	**1,375.55**

No dues from directors.

*For dues from subsidiaries please refer note 30.

Hypothecated against working capital loan.

Movements in allowance for doubtful trade receivables	As at March 31, 2023	As at March 31, 2022
Opening Balance	25.18	25.18
Add : Provision during the year	-	-
Less: Utilisation during the year	-	-
Closing Balance	**25.18**	**25.18**

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2023	-	2,279.94	6.02	3.06	3.16	-	-	2,292.18
	March 31,2022		1,082.89	290.38	2.14	0.14	-	-	1,375.55
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	17.09	-	-	17.09
	March 31,2022	-	-	17.09	-	-	-	-	17.09
(iii) Undisputed Trade Receivables - Credit impaired	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	March 31,2023	-	-	-	-	0.09	0.80	7.20	8.09
	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
Total	March 31,2023	-	2,279.94	6.02	3.06	20.34	0.80	7.20	2,317.36
	March 31,2022	-	1,082.89	307.47	2.14	0.73	5.28	2.22	1,400.73

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Cash on hand	0.13	0.78
Balances with banks in current accounts*	431.75	341.10
Cheque in hand	42.94	105.16
	474.82	447.04
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST Department and Tender Deposit	1.67	14.01
Total	**476.49**	**461.05**

*Includes Unclaimed Dividend of ₹ 1.05 million (Previous year ₹ 0.76 million).

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	739.72	-
To others	9.64	28.20
	749.36	28.20
Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	419.22	311.26
To others	13.04	210.84
Loans Receivables from others which have significant increase in Credit Risk	5.66	3.67
Loans Receivables - credit impaired	-	-
	437.92	525.77
Less: Allowance for doubtful loan to others	(5.66)	(3.67)
	432.26	522.10
Total	**1,181.62**	**550.30**

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Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	300.00	300.00
Issued, Subscribed and Fully Paid-up :		
13,59,92,238 (Previous year 13,59,30,197) Equity Shares of ₹1 each fully paid up	135.99	135.93
Total	135.99	135.93

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	₹ in million
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 35)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93
Issued during the year (persuant to ESOP - refer Note 35)	62,041	0.06
Shares outstanding at March 31, 2023	13,59,92,238	135.99

11.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,55,35,144	40.84%	5,47,59,132	40.28%
2. Rakeshbhai Bhikhabhai Shah	1,56,85,981	11.53%	1,56,84,407	11.54%
3. Bhikhalal Chimanlal Shah	58,68,689	4.32%	88,68,689	6.52%
4. Emerald Investments Limited	1,03,12,132	7.58%	74,77,132	5.50%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2023			As at March 31, 2022		
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding	% Changes during the year
1. Amit Indubhusan Bakshi	5,55,35,144	40.84%	1.42%	5,47,59,132	40.28%	0.11%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%	0.00%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%	0.00%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%	0.00%
5. Himanshu Jayantbhai Shah *	-	0.00%	-100.00%	4,75,801	0.35%	-80.63%

*Vide letter dated June 29, 2022, the BSE Limited and National Stock Exchange of India Ltd. approved the reclassification of Mr. Himanshu Jayantbhai Shah from the 'Promoter' Category to the 'Public' Category. He is holding 4,75,801 shares as on March 31, 2023.

11.4 Terms / Rights attached to the equity shares:

The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 their shareholding.

11.5 Share options granted under the Company's employee share option plan:

The Company recognizes compensation expense relating to share-based payments in statement of profit and loss using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Dividend:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 7.35/- (at the rate of 735 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2022-23 at its meeting held on August 5, 2022.

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Note 12: Other Equity

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	21,902.06	18,922.77
Securities premium	151.01	106.13
Share Application Money Pending Allottment	-	4.51
Share based payment reserve	28.04	14.48
Capital redemption reserve	1.74	1.74
Total	**22,082.85**	**19,049.63**

Nature and purpose of reserves :

Retained Earnings : Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve : The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve : The Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

Note 13: Borrowings

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Secured		
From Banks - Term Loan	2,094.71	-
	2,094.71	**-**
Current		
(a) Secured		
Current maturity of long term Loan	524.00	-
From Banks - Working capital Loan	550.00	
	1,074.00	**-**
Total	**3,168.71**	**-**

Term Loans from bank referred above to the extent of :

1. Term Loan of ₹ 2,620 million (previous year ₹ NIL) was obtained from Axis Bank and same is repayable in 20 quarterly instalments starting from June 2023. The loan is secured by way of exclusive charge on the Brands / Trademarks acquired on acquisition from Dr Reddy's Laboratories Limited.
2. Working capital Loan of ₹ 550 million (previous year ₹ NIL) are secured by way of Current assets.

Charge on Working capital loan is yet to be created.

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Lease Liabilities		
Lease Liabilities	356.76	345.04
	356.76	**345.04**
Current		
(a) Lease Liabilities		
Lease Liabilities	55.39	36.73
	55.39	**36.73**
(b) Other financial liabilities		
Book overdraft *	73.92	49.63
Dividend Payable	1.05	0.76
Interest Accrued	1.57	-
Payable towards purchase of property plant and equipment	7.88	9.42
	84.42	**59.81**
	139.81	**96.54**
Total	**496.57**	**441.58**

* Current assets are hypothecated against WCDL Limit.

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Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	59.65	59.55
Provision for sales returns (Refer note below)	250.67	228.83
	310.32	288.38
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	34.56	33.33
Gratuity	31.01	17.28
Provision for sales returns (Refer note below)	519.01	327.21
	584.58	377.82
Total	**894.90**	**666.20**

Provision for sales returns :

The Company, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms.
At the time of recognising provision for sales return expected reimbursement towards likely sales return is also recognied, which is included in other current assets for the products expected to be returned.

Opening Provision	556.04	447.35
Add : Provision during the year	309.75	355.47
Less : Utilisation during the year	96.11	246.78
Closing Provision	769.68	556.04
Long Term	250.67	228.83
Short Term	519.01	327.21
Total	769.68	556.04

Note 16: Other liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred Capital Subsidy Non current*	18.21	22.82
	18.21	22.82
Current		
Statutory liabilities	152.94	139.49
Advances from customers	12.92	25.18
Deferred Capital Subsidy Current*	4.67	4.85
	170.53	169.52
Total	**188.74**	**192.34**

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in statement of profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

Note 17: Trade payables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Due to micro and small enterprises (refer note- 30 and 36)	118.05	41.49
Due to others	712.69	926.21
Total	**830.74**	**967.70**

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2023	-	46.42	70.64	0.99	-	-	118.05
	March 31,2022	-	15.59	25.90	-	-	-	41.49
(ii) Others	March 31,2023	-	524.07	180.52	4.19	1.55	2.36	712.69
	March 31,2022	-	640.08	283.64	-	0.04	2.45	926.21
(iii) Disputed dues - MSME	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
Total	**March 31,2023**	-	**570.49**	**251.16**	**5.18**	**1.55**	**2.36**	**830.74**
	March 31,2022	-	**655.67**	**309.54**	-	**0.04**	**2.45**	**967.70**

Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of products (Refer note 38)	13,071.20	11,937.73
Other operating income		
Goods and Services Tax refund	225.33	206.41
Others	10.72	13.16
	236.05	219.57
Total	13,307.25	12,157.30

Revenue as per contracted price, net of returns	13,477.41	12,325.62
Less : Provision for sales return	309.75	355.47
Less : Scheme, discount and others	96.46	32.42
Revenue from contracts with customers	13,071.20	11,937.73

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income	82.77	99.09
Net gain on sale of investments	71.27	21.73
Net (loss) / gain on investments carried at fair value through profit or loss	0.05	144.36
Deferred Capital Subsidy (Refer note 16)	4.78	4.83
Gain on termination of lease	-	18.68
Miscellaneous income	13.77	1.20
Total	172.64	289.89

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Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Raw materials and packing materials		
Opening stock	387.84	168.64
Add: Purchases during the year	1,019.94	1,394.93
Less: Closing stock	(266.51)	(387.84)
Total	**1,141.27**	**1,175.73**

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the beginning of the year		
Stock-in-trade	199.76	198.37
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	452.05	**476.95**
Inventories at the end of the year		
Stock-in-trade	182.74	199.76
Finished goods	149.12	232.51
Work-in-progress	35.18	19.78
	367.04	**452.05**
Net decrease in Stock	**85.01**	**24.90**

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages and bonus	2,244.02	1,963.39
Contribution to provident and other funds (Refer note 28)	124.37	113.27
Share based payments to employees (Refer note 35)	31.21	13.55
Staff welfare expenses	125.60	110.88
Total	**2,525.20**	**2,201.09**

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Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Power and fuel	44.08	40.08
Consumption of stores and spares (Indigenous)	32.39	20.53
Labour and security	27.90	27.69
Testing charges	15.87	8.97
Rent	13.34	26.49
Formulation Development Expense	61.00	327.38
Freight and forwarding	128.18	151.29
Commission	171.71	164.68
Advertising, publicity and awareness	35.53	64.58
Repairs and maintenance	82.62	54.17
Selling and distribution	1,042.30	602.88
Commission and sitting fees to independent directors	16.80	20.73
Representative Allowance	622.01	496.48
Travelling and conveyance	399.51	264.37
Communication	9.70	9.88
Legal and professional	309.55	392.45
Rates and taxes	77.82	70.95
Insurance	9.71	13.96
Payments to auditors (Refer note below)	6.70	4.50
Royalty Expense	4.60	4.30
Corporate social responsibility expenditure (Refer note 31)	75.83	65.43
Loss on property plant and equipment sold/written off	8.55	42.54
Donations	0.08	1.39
Bank charges	1.41	0.60
Bad debt written off	-	0.02
Miscellaneous	169.89	243.41
Total	**3,367.07**	**3,119.75**

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory Audit fee	5.15	3.00
Certification fees and other services	1.55	1.50
Total	6.70	4.50
Certification fees and other services charged, debited to other than profit or loss	2.06	-
Grand Total	**8.76**	**4.50**

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense	177.67	2.94
Interest on Lease Liability	30.43	26.97
Total	**208.10**	**29.91**

Note 25: Earnings per share

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit after tax for the year (₹ in million)	3,980.08	4,171.92
Weighted average number of equity shares outstanding for basic earning per share	13,59,78,947	13,58,73,030
Add : Dilutive share -Employees stock options outstanding	1,89,163	41,464
Weighted average number of equity shares outstanding for diluted earning per share	13,61,68,109	13,59,14,494
Nominal value per equity share (In ₹)	1.00	1.00
Basic earnings per share (In ₹)	29.27	30.70
Diluted earnings per share (in ₹)	29.23	30.70

Note 26: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the managing director and the company has only one reportable business segment i.e. 'pharmaceuticals'.

Note 27 : MERGERS AND ACQUISITION

Note 27.1 : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)

During the year, the Company has completed acquisition of 100% stake in Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) and obtained control on May 12, 2022 from its erstwhile shareholders for a consideration of ₹ 6,554.90 Million (including transaction cost).

The Company has acquired 18,40,52,259 equity shares and 32 preference shares of Eris Oaknet Healthcare Private Limited at an average rate of ₹35.32 each to make it 100% subsidiary company.

Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) business predominantly comprised of brands in Dermatology and Women's Health segments. The acquisition will provide robust growth platform in the areas of Dermatoloy and Cosmetology.

Note 27.2 : Amalgamation and Demerger of subsidiary companies

During the Financial Year 2022-23, on December 23, 2022 Honorable National Company Law Tribunal has approved the scheme of arrangement ("the Scheme") under section 230 and 232 of the Companies Act, 2013. Pursuant to the Scheme, one of the divisions of Eris Healthcare Private Limited (EHPL) - a wholly owned subsidiary of Eris Lifesciences Limited (the "Company") as represented by certain brands and related assets and liabilities (the Acquired Business) is demerged and merged into Aprica Healthcare Limited (AHL) - a wholly owned subsidiary of the Company with effect from April 1, 2021.

In consideration of the demerger of Acquired Business of and vesting of EHPL with and into AHL and in terms of the Scheme, AHL has issued and alloted to the equity shareholders of EHPL i.e. the Company, Equity Shares of face value Rs. 10 each credited as fully paid up of AHL in the ratio of 1 Equity Share of the face value of Rs. 10 each of AHL for every 2 equity shares of Rs. 10 credited as fully paid-up held by the Company in EHPL before capital reduction.

The below table gives the overall movement in the investments held by the Company in the above 2 wholly owned subsidiaries on account of the scheme:

Particulars	Investment in the equity share capital of ₹ 10 each of AHL		Investment in the equity share capital of ₹ 10 each of EHPL	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Before scheme	73,45,361	1,166.32	43,33,331	900.00
Increase / (decrease) on account of the scheme	21,66,662	897.92	(43,23,331)	(897.92)
After scheme	95,12,023	2,064.24	10,000	2.08

Note 27.3 : Acquisition of Brands of Dr. Reddy's Laboratories Limited

During the year, the Company has completed acquisition of 9 brands of Dr. Reddy's Laboratories Limited for a consideration of ₹ 2,750 Million.

Note 28: EMPLOYEE BENEFIT PLANS

A) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹81.56 million (Previous Year ₹75.83 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized ₹2.40 million (Previous year ₹2.89 million) for ESIC contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

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B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹15.95 million (Previous Year ₹11.71 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.
The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Company's financial statements as at March 31, 2023:

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	182.93	161.42
Current Service Cost	24.09	22.70
Transfer in/(out) obligation	3.75	1.03
Interest Cost	8.92	7.25
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(7.50)	(1.89)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	8.36	16.96
Benefits paid	(23.70)	(24.54)
Obligations at the end of the year	**196.85**	**182.93**
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**165.65**	**147.93**
Interest Income	8.55	7.11
Return on plan assets excluding interest income	(1.43)	(0.37)
Employer Contributions	16.77	35.52
Benefits paid	(23.70)	(24.54)
Fair Value of plan assets at the end of the year	**165.84**	**165.65**

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Notes on standalone financial statements for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**196.85**	**182.93**
Less : Fair value of plan assets	(165.84)	(165.65)
Funded status (deficit)	31.01	17.28
Net liability recognised in the financial statement	**31.01**	**17.28**

(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	24.09	22.70
Interest Cost Net	0.37	0.14
Expense charged to the statement of profit and loss	**24.46**	**22.84**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.43	0.37
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(7.50)	(1.89)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	8.36	16.96
Expense charged to other comprehensive income	**2.29**	**15.44**
Assumptions:		
Discount rate	7.30%	5.65%
Estimated rate of return on plan assets	7.30%	5.65%
Annual increase in salary costs	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	194.70	180.90
Decrease of 0.5% in discount rate	199.05	185.04
Increase of 0.5% in salary escalation rate	198.94	184.88
Decrease of 0.5% in salary escalation rate	194.83	181.04
Expected future Cash outflows towards the plan are as follows :		
Year 1	70.76	67.04
Year 2	47.86	40.98
Year 3	35.13	30.23
Year 4	24.87	22.07
Year 5	17.84	15.41
Year 6 to 10	33.47	29.40

Investment details of plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
	%	%
Insurer managed funds with Life Insurance Corporation of India	95%	95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	5%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by company for gratuity during financial year ending March 31, 2024 is ₹27.19 million (previous year ₹17.28 million).

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Note 29: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹ in million)

	As at March 31, 2023		As at March 31, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	2,292.18	2,292.18	1,375.55	1,375.55
Cash and cash equivalents	474.82	474.82	447.04	447.04
Other bank balances	1.67	1.67	14.01	14.01
Investment in tax free bonds	5.00	5.00	5.29	5.29
Loans	1,181.62	1,181.62	550.30	550.30
Other Financial Asset	71.37	71.37	716.99	716.99
Fair value through profit or loss :				
Investment in mutual funds	300.05	300.05	5,166.49	5,166.49
Investment in tax free bonds	3.30	3.30	3.50	3.50
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Total	**4,358.63**	**4,358.63**	**8,307.79**	**8,307.79**
Financial Liabilities :				
Amortised cost :				
Borrowings	3,168.71	3,168.71	-	-
Trade payables	830.74	830.74	967.70	967.70
Other financial liabilities	84.42	84.42	59.81	59.81
Lease Liability	412.15	412.15	381.77	381.77
Total	**4,496.02**	**4,496.02**	**1,409.28**	**1,409.28**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in million)

As at March 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets :				
Mutual funds	300.05	-	-	300.05
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.30	-	-	3.30
Total	**303.35**	**-**	**28.62**	**331.97**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**303.35**	**-**	**28.62**	**331.97**

(₹ in million)

As at March 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis:

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Fair value of Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Company's activities are exposed to variety of financial risks. These risks include market risk, credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk.. The Company is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Company invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 303.35 million and ₹ 5,169.99 million as at March 31, 2023 and March 31, 2022 respectively.

(b) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents, deposits with banks, investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 4,358.63 million and ₹ 8,307.79 million as at March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets, loans and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

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(c) Liquidity Risk

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows :

(₹ in million)

As at March 31, 2023	Less than 1 year	1-3 years	More than 3 years
Borrowings	1,074.00	1,048.00	1,048.00
Trade payables	830.74	-	-
Other financial liabilities	84.42	-	-
Lease Liabilities	82.47	171.55	260.79
	2,071.63	1,219.55	1,308.79

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Trade payables	967.70	-	-
Other financial liabilities	59.81	-	-
Lease Liabilities	62.37	128.39	308.91
	1,089.88	128.39	308.91

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows. (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans and borrowings	3,580.86	381.77
Less : Cash and bank balances	474.82	447.04
Adjusted net debt	**3,106.04**	**(65.27)**
Total equity	**22,218.84**	**19,185.56**
Adjusted net debt to adjusted equity ratio	**0.14**	**(0.00)**
Debt equity considering only borrowings as debt	**0.16**	**0.02**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023; March 31, 2022.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2023 , the Company has floating rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

For the year ended 31 March 2023, every 1% increase or decrease in the floating interest rate component (i.e., Treasury bill) applicable to its borrowings would affect the Company's profit before tax by ₹ 29.53 million. For year ended March 31, 2022, the Company did not had any floating rate borrowings.

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Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Nature of Relationship	Name of the related party
1. Subsidiaries	
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)
	Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (w.e.f. May 12, 2022)
	Aprica Healthcare Limited
	Eris Healthcare Private Limited
	Eris Therapeutics Limited (w.e.f. June 23, 2021)
	Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited)
2. Key Managerial Personnel	
Managing Director	Mr. Amit Bakshi
Whole time director	Mr. Inderjeet Singh Negi
Whole time director	Mr. Kaushal Shah
Whole time director	Mr. Krishnakumar Valdyanathan
Independent Director	Mr. Rajeev Dalal
Independent Director	Ms. Kalpana Vasantrai Unadkat
Independent Director (Upto July 19, 2022)	Mrs. Vijaya Sampath
Independent Director	Mr. Prashant Gupta
Independent Director (From July 25, 2022)	Mr. Sujesh Vasudevan
Chief Financial Officer	Mr. Sachin Shah
Company Secretary	Mr. Milind Talegaonkar
3. Close family member of Key Management Personnel	
Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
4. Other Related parties	
Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
Entity controlled by relative of Key Managerial Personnel (w.e.f. August 21, 2021)	Tresna Foundation
Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP
Key Managerial Personnel of subsidiary (w.e.f. September 01, 2022)	Gagan Atreja
Key Managerial Personnel of subsidiary (w.e.f. November 11, 2022)	Shreya Mohan
Promotor	Rajendra Patel
Firm in which director is a partner	Shardul Amarchand Mangaldas & Co
Firm in which director is a partner	Khaitan & Co.
Shareholders of Subsidiary (w.e.f. January 12, 2022)	M.J. Biopharm Private Limited
Entity controlled by Promotor	Shah & Company

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B) Total Transactions and year end balances with related parties are as follows:

(₹ in million)

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Investment in / (Redemption of) Perpetual bond	-	(50.00)	-	-	-	-	-	-	-	(50.00)
Investment in Equity share capital	-	0.10	-	-	-	-	-	-	-	0.10
Investment in Preference share capital	500.01	249.98	-	-	-	-	-	-	500.01	249.98
Loans Given	4,277.50	605.78	-	-	-	-		-	4,277.50	605.78
Loans Received back	3,454.18	604.75	-	-	-	-	-	-	3,454.18	604.75
Loan taken	325.00	-	-	-	-	-	-	-	325.00	-
Loan repaid	325.00	-	-	-	-	-	-	-	325.00	-
Sales of Finished goods	120.10	149.92	-	-	-	-	-	-	120.10	149.92
Sales of Stock-in-trade	5.81	-	-	-	-	-	-	-	5.81	-
Purchases of Stock-in-trade	0.74	127.71	-	-	-	-	-	-	0.74	127.71
Royalty Income	4.92	11.05	-	-	-	-	-	-	4.92	11.05
Composite support service income	0.72	-	-	-	-	-	-	-	0.72	-
Interest income	73.04	35.54	-	-	-	-	-	-	73.04	35.54
Royalty Expense	7.85	4.30	-	-	-	-	-	-	7.85	4.30
Reimbursement of expense incurred	2.27	1.03	2.17	2.17	-	-	0.27	-	4.72	3.20
Reimbursement of expense received	3.85	-	-	-	-	-	-	-	3.85	-
Guarantee Commission income	12.14	-	-	-	-	-	-	-	12.14	-
Interest expense	17.00	-	-	-	-	-	-	-	17.00	-
Sales of property plant and equipment	0.41	-	-	-	-	-	-	-	0.41	-
Other Expenses	1.50	-	-	-	-	-	-	-	1.50	-
Remuneration *	-	-	131.20	119.34	-	-	17.18	-	148.38	119.34
Sitting fees	-	-	3.30	3.23	-	-	-	-	3.30	3.23
Commission	-	-	13.50	17.50	-	-	8.10	-	21.60	17.50
Stock Options exercised	-	-	0.38	3.77	-	-	-	-	0.38	3.77
Professional fees (Capitalised to intangible and in investment) to Firm in which director is a partner	-	-	-	-	-	-	19.14	-	19.14	-
Salary expense	-	-	-	-	0.51	0.28	-	-	0.51	0.28
Corporate Social Responsibility	-	-	-	-	-	2.10	-	-	-	2.10
Contribution to Post-employment benefit plan	-	-	-	-	-	-	16.76	16.28	16.76	16.28

(B)Balances at the end of the year	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022
Perpetual bond	200.00	200.00	-	-	-	-	-	-	200.00	200.00
Trade Receivable	17.20	0.88	-	-	-	-	-	-	17.20	0.88
Advance from Customer	-	3.81	-	-	-	-	-	-	-	3.81
Advance to Creditor	-	3.35	-	-	-	-	-	-	-	3.35
Trade payable	1.22	-	7.72	16.14	0.04	0.03	1.47	-	10.44	16.17
Loans Given	1,158.94	311.26	-	-	-	-	-	-	1,158.94	311.26

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Notes on standalone financial statements for the year ended March 31, 2023

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Transaction with Subsidiaries**		
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)		
	Loans Given	427.50	-
	Loans Received Back	342.96	-
	Investment in Preference share capital	500.01	-
	Composite support service income	0.12	-
	Interest income	21.47	0.25
	Reimbursement of expense incurred	1.95	-
	Reimbursement of expense received	2.29	-
	Loans Given	-	46.18
	Aprica Healthcare Limited		
	Purchases of Stock-in-trade	-	0.02
	Sales of Finished goods	64.32	52.05
	Investment in / (Redemption of) Perpetual bond	-	(50.00)
	Royalty Income	4.68	5.52
	Composite support service income	0.12	-
	Reimbursement of expense incurred	-	1.03
	Royalty expense	4.60	2.39
	Eris Healthcare Private Limited		
	Royalty expense	3.26	1.91
	Sales of Finished goods	55.78	97.87
	Loans given	80.00	157.50
	Loans Received back	111.82	202.65
	Composite support service income	0.30	-
	Sales of property plant and equipment	0.35	-
	Other Expenses	1.44	
	Purchases of Stock-in-trade	(0.28)	127.69
	Interest income	27.08	29.66
	Royalty income	-	5.53
	Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27)		
	Sales of Stock-in-trade	5.81	-
	Loans given	2,500.00	-
	Loans Received back	2,320.00	-
	Loan taken	325.00	-
	Loan repaid	325.00	-
	Composite support service income	0.06	-
	Guarantee Commission income	4.78	-
	Interest expense	17.00	-
	Interest income	6.60	-
	Royalty income	0.23	-
	Eris Therapeutics Limited		
	Investment in Equity share capital	-	0.10
	Investment in Preference share capital		249.98
	Loans given	1,270.00	402.10
	Guarantee Commission income	7.35	-
	Composite support service income	0.12	-
	Other Expenses	0.06	-
	Sales of property plant and equipment	0.06	-
	Purchases of Stock-in-trade	1.02	-
	Reimbursement of expense incurred	0.32	-
	Reimbursement of expense received	1.56	-
	Loans Received back	679.39	402.10
	Interest income	17.89	5.63

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Notes on standalone financial statements for the year ended March 31, 2023

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
2	**Key Management Personnel compensation**		
	Remuneration *	131.20	119.34
	Sitting fees	3.30	3.23
	Reimbursement of expense incurred	2.17	2.17
	Commission	13.50	17.50
	Stock Options exercised	0.38	3.77
3	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.51	0.28
	Corporate Social Responsibility	-	2.10
4	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.76	16.28
	Remuneration to promotor	5.52	-
	Commission to entity controlled by promotor	8.10	-
	Professional fees (Capitalised to intangible and in investment) to Firm in which director is a partner	19.14	
	Remuneration to Key Management Personnel of subsidiaries	11.67	-
	Reimbursement of expense to Key Management Personnel of subsidiaries	0.27	-

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)**		
	Loans Given	138.43	46.41
	Trade payable	0.02	-
	Trade Receivable	-	0.82
2	**Aprica Healthcare Limited**		
	Perpetual bond	200.00	200.00
	Trade Receivable	7.01	-
	Trade Payable	1.15	-
	Advance from Customer	-	3.81
3	**Eris Healthcare Private Limited**		-
	Loans Given	239.22	264.85
	Advance to Creditors	-	3.35
	Trade receivable	0.69	-
	Trade Payable	0.05	-
4	**Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27)**		
	Loans Given	180.00	-
	Trade receivable	9.51	-
5	**Eris Therapeutics Limited**		
	Loans Given	601.29	-
	Trade receivable	-	0.06
6	**Key Management Personnel compensation**		
	Trade Payable	7.72	16.14
7	**Close family member of Key Management Personnel compensation**		
	Trade Payable	0.04	0.03
8	**Other Related parties**		
	Trade Payable	1.47	-

E) Guarantee given to banks on behalf of subsidiaries:

	Eris Therapeutics Limited	1,700.00	-
	Eris Oaknet Healthcare Private Limited	4,350.00	-

Note 31: Loans to group Companies

Disclosures pursuant to Regulation 34(3) read with Para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013.

(₹ in million)

Name of the Related party	Amount outstanding as at				Maximum balance during the year	
	March 31, 2023		March 31, 2022			
	Amount	% of Total Loan	Amount	% of Total Loan	2022-23	2021-22
Related Parties	1,158.94	97.61%	311.26	56.19%	3,895.35	860.23
Eris Healthcare Private Limited	239.22	20.15%	264.85	47.81%	363.39	419.31
Eris M.J.Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	138.43	11.66%	46.41	8.38%	480.67	46.41
Eris Therapeutics Limited	601.29	50.64%	-	0.00%	601.29	394.51
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	180.00	15.16%	-	0.00%	2,450.00	-

Notes

a) The loanees did not hold any shares in the Share capital of the Company.

b) All loans given are for the purposes of the business and repayable on demand.

Note 32: Corporate Social Responsibility (CSR) expenditure

Disclosures pertaining to corporate social responsibility activities:

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Corporate Social Responsibility expenses for the year	75.83	65.43
Nature of CSR activities		
Medical	74.75	62.46
Educational	1.08	2.97
Other	-	-
Gross amount required to be spent by the company during the year	75.83	65.43
Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	75.83	65.43
Details of related party transactions	-	2.10
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
The reason for above shortfalls by way of a note	-	-

Excess amount for set off

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Two percent of average net profit of the Company as per section 135(5)	75.83	65.43
(ii) Total amount spent for the Financial Year	23.47	195.08
(iii) Excess / (short) amount spent for the Financial Year [(ii)-(i)]	(52.36)	129.65
(iv) Amount available for set off from preceding financial years	129.94	0.29
(v) Amount available for set off in succeeding financial years [(iii)+(iv)]	77.58	129.94

Note 33: Contingent Liability and Capital Commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	182.42	173.52
Notices regarding Income-tax matters	1.06	1.06
Others (Includes ₹ 50 million (Previous year ₹ Nil (refer note 6))	70.38	68.83

Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹ 8.40 million. (Previous year ₹28.92 million).

The Company has given corporate guarantee to bank for credit facilities upto ₹ 1,700 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of deed of guarantee, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Company has given corporate guarantee to banks for credit facilities upto ₹ 4,350 million availed by its subsidiary Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) As per deed of guarantee, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Company does not expect any outflow of resources in respect of the above.

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ERIS LIFESCIENCES LTD.

Note 34: Lease rent IND AS 116

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹ in million)

Changes [Increase/(decrease)]	For Year ended March 31, 2023	For Year ended March 31, 2022
Depreciation	83.22	42.41
Finance costs on lease liability	30.43	26.97
Cash Flow From Lease	(48.39)	(112.95)
Cash Flow From Lease interest	(30.43)	(26.97)

Note 35: ESOP

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.1,14,736 and 98,107 options have lapsed till March 31, 2023 and March 31, 2022 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 16.40 million and for financial year 2021-22 is ₹ 13.55 million.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	1,07,536	451.04	2,73,709	451.04
Granted during the year	-	-	-	-
Vested during the year	53,710	451.04	59,197	451.04
Exercised during the year	60,520	451.04	1,49,544	451.04
Lapsed during the year	-	451.04	16,629	451.04
Options outstanding at the end of the year	47,016	451.04	1,07,536	451.04
Options available for grant	1,14,736	-	98,107	-
Options exercisable at the end of the year	47,016	-	53,826	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value(₹)	**268.77**

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B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 14.81 previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022		
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)	
Option outstanding at the beginning of the year	2,14,102	557.24	-		557.24
Granted during the year *	-	-	2,14,102		-
Vested during the year	53,512	557.24	-		557.24
Exercised during the year	1,521	557.24	-		557.24
Lapsed during the year	22,443	557.24	-		557.24
Options outstanding at the end of the year	1,90,138	557.24	2,14,102		557.24
Options available for grant	8,64,960	-	11,44,528		-
Options exercisable at the end of the year	47,173	-	-		-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	**341.62**

C. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,79,568 (Two lakhs seventy nine thousand five hundred sixty eight only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 510.32. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2023. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

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ERIS LIFESCIENCES LTD.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is NIL previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	510.32	-	-
Granted during the year *	2,79,568	-	-	-
Vested during the year	-	510.32	-	-
Exercised during the year	-	510.32	-	-
Lapsed during the year	7,182	510.32	-	-
Options outstanding at the end of the year	2,72,386	510.32	-	-
Options available for grant	8,64,960	-	-	-
Options exercisable at the end of the year	-	-	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2023
	Weighted average
Stock Price (₹)	637.90
Volatility	31.99%
Risk-free Rate	7.15%
Exercise Price (₹)	510.32
Time To Maturity (in years)	7.50
Dividend yield	0.96%
Option Fair Value(₹)	**313.34**

Note 36: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	118.05	41.49
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act.	-	-

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ERIS LIFESCIENCES LIMITED

Notes on standalone financial statements for the year ended March 31, 2023

Note 37 (A) : Financial Ratio

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Remarks for variance
Liquidity Ratio (In times)						
Current Ratio	Current Assets.	Current Liabilities	1.95	3.49	-44.24%	Due to increase in trade receivable
Solvency Ratio (In times)						
Debt – Equity Ratio	Total Debt(1)	Shareholder's Equity	0.16	0.02	709.91%	Due to borrowing in current year which was nil last year
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt Service(3)	37.77	77.13	-51.04%	Due to borrowing in current year which was nil last year
Profitability ratio (in %)						
Net profit ratio	Profit After Tax	Sale of products	30.45%	34.95%	-12.87%	
Return on Equity (ROE):	Profit After Tax	Average Shareholder's Equity	19.23%	23.88%	-19.49%	
Return on capital employed (ROCE)	Earning before interest and tax	Capital Employed (4)	24.95%	31.66%	-21.18%	
Return on investment (ROI)	Income generated from investments	Time weighted average investments	2.32%	3.46%	-33.09%	Due to premature withdrawl in investment in debt mutual fund,
Utilization Ratio (in times)						
Trade receivables turnover ratio	Sale of products	Average Trade Receivables	7.13	9.50	-24.97%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.18	2.67	19.31%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.68	4.75	-1.48%	
Net capital turnover ratio	Net Sales	Working Capital	4.87	2.89	68.86%	Higher efficiency on working capital improvement has impacted change in this ratio.

Notes

(1) Debt represents borrowings and lease liabilities.

(2) "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Lease payments, interest and principal repayment for the current year

(4) Tangible net worth + deferred tax liabilities + Lease Liabilities

Note 37 (B) : Other statutory Information

i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

v). The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961

vii). Details of Loan given, investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2023. (Refer Note 10)

(b) Investment made by the Company as at March 31, 2023. (Refer Note 3)

(c) Guarantee given by the Company as at March 31, 2023. (Refer note 33)

viii) The borrowings obtained by the Company from banks have been applied for the purposes for which such loans was taken.

ix) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

x) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

xi) The Company has complied with the number of layers prescribed under the Companies Act, 2013

xii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

xiii) The company has not revalued its property,plant and equipment during the current or previous year.

xiv) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

BRIJITH MASSONS & SELS LLP CHARTERED ACCOUNTANTS AHMEDABAD

ERIS LIFESCIENCES LTD.

Note 38: Items included in Financial Activities

(₹ in million)

	As at March 31,2022	Cash Flows	Net Additions	Other Changes	As at March 31, 2023
Lease Liability	381.77	(78.82)	87.37	21.83	412.15
Borrowing	-	3,170.00	-	(1.29)	3,168.71

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	53.42	(139.92)	473.80	(5.53)	381.77

Note 39: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit J. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

Deloitte Haskins & Sells LLP

Chartered Accountants
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Gujarat, India

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INDEPENDENT AUDITOR'S REPORT

To The Members of Eris Lifesciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Eris Lifesciences Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Assessment of impairment of Goodwill pertaining to Aprica Healthcare Limited Cash Generating Unit ("Aprica CGU")** Refer to note 2(b) to the consolidated financial statements. As at 31 March 2023, carrying value of goodwill pertaining to Aprica CGU is Rs. 768.14 million. In accordance with Ind AS, goodwill needs to be tested for impairment at every reporting period. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit (CGU) and determination of recoverable amount of the underlying CGUs. Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount in the Company. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows vary materially from management's estimates, the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of the Goodwill pertaining to the Aprica CGU has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of impairment and determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out the valuation of carrying value of goodwill pertaining to Aprica CGU and reviewed the valuation report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates and retrospective review of the projections (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation model used by the management's expert and testing the underlying assumptions related to the discount rates and the terminal growth rates applied to the forecasted cashflows to determine the recoverable values.
2	**Business Combination – Eris Oaknet Healthcare Private Limited (Refer to Note 27.1 to the Consolidated Financial Statements)** During the current financial year, the Group has acquired business of Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) for a consideration	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the Design, Implementation and Operating effectiveness of controls over determination of fair values of assets acquired and

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	of Rs. 6,554.90 Million (including transaction cost). The Group accounted the acquisition under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values on their acquisition date. The determination of such fair values for the purpose of purchase price allocation involves judgments and estimates such as appropriateness of the valuation methodology applied and the discount rates applied to future cash flow forecasts. In view of the foregoing, Purchase Price Allocation in respect of the Business Combination has been identified as a Key Audit Matter.	liabilities assumed for the purpose of purchase price allocation. 2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out Purchase Price Allocation (PPA) of the Business Combination and reviewed the PPA report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates and net profit margin (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation methodologies for the identified intangible assets used by the management's expert and reasonableness of the key valuation assumptions related to the contributory asset charges, discount rates and the terminal growth rates applied to the forecasted cashflows to determine the Purchase price allocation.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report in Annual Report for the year ended March 31, 2023, but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the identified above when it becomes available, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in

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accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matter

We did not audit the financial statements / financial information of five subsidiaries, whose financial statements / financial information reflect total assets of Rs. 4,294.29 million as at March 31, 2023, total revenues of Rs. 1,415.92 million and net cash outflows amounting to Rs. 36.87 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 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 with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective 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:

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i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 31 to the consolidated financial statements;

ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 35(B) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 35(B) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed us that have been considered reasonable and appropriate in the circumstances and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and

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explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAH9953)

Place: Ahmedabad
Date: May 17, 2023

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 with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Eris Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). 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 the respective 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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.

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We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

DELOITTE HASKINS & SELLS AHMEDABAD CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells LLP

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAH9953)

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 17, 2023

ERIS LIFESCIENCES LIMITED

Consolidated Balance Sheet as at March 31, 2023

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	3,039.84	1,212.18
(b) Right-of-use asset	2(a)	520.17	466.35
(c) Capital Work in progress	2(a)	213.78	240.04
(d) Goodwill	2(b)	3,318.49	934.74
(e) Other Intangible assets	2(b)	18,802.53	6,566.16
(f) Intangible assets under development	2(b)	3.43	29.82
(g) Financial assets			
Investments	3	66.93	4,208.44
Loans	10	9.64	28.20
Other financial asset	5	76.53	44.96
(h) Income tax assets (net)	4(d)	45.48	42.43
(i) Deferred tax assets (net)	4(f)	2,739.45	2,431.34
(j) Other non-current assets	6	189.79	243.43
Total Non current assets		**29,026.06**	**16,448.09**
(2) Current assets			
(a) Inventories	7	1,314.35	1,179.11
(b) Financial assets			
Investments	3	300.07	995.48
Trade receivables	8	2,927.09	1,609.68
Cash and cash equivalents	9(a)	560.22	508.70
Other bank balances	9(b)	24.35	14.57
Loans	10	39.86	230.03
Other financial asset	5	7.79	674.88
(c) Other current assets	6	2,473.49	1,060.85
Total Current assets		**7,647.22**	**6,273.30**
TOTAL - ASSETS		**36,673.28**	**22,721.39**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.99	135.93
(b) Other Equity	12 (a)	21,823.89	18,947.18
Equity attributable to the owners of the company		21,959.88	19,083.11
(c) Non-controlling interest	12 (b)	246.89	(1.08)
Total Equity		**22,206.77**	**19,082.03**

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Consolidated Balance Sheet as at March 31, 2023

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	6,444.47	450.00
Lease Liabilities	14	389.74	353.94
Other financial liabilities	14	69.18	34.06
(b) Long-term provisions	15	441.19	321.14
(c) Other non-current liabilities	16	113.22	22.82
(d) Deferred tax liabilities (net)	4(f)	2,576.38	460.94
Total Non Current Liabilities		**10,034.18**	**1,642.90**
(3) Current liabilities			
(a) Financial Liabilities			
Borrowings	13	1,855.69	0.11
Lease Liabilities	14	77.21	40.02
Trade payables			
A) Due to Micro and Small Enterprises	17	187.52	71.80
B) Due to other than Micro and Small Enterprises		1,060.17	1,105.94
Other financial liabilities	14	301.15	122.12
(b) Short-term provisions	15	694.37	390.57
(c) Other current liabilities	16	217.22	195.93
(d) Income tax liabilities (net)	4(e)	39.00	69.97
Total Current Liabilities		**4,432.33**	**1,996.46**
Total Liabilities		**14,466.51**	**3,639.36**
TOTAL - EQUITY AND LIABILITIES		**36,673.28**	**22,721.39**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

H. S. Sutaria

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Hardik Sutaria

Partner

Place: Ahmedabad

Date: May 17, 2023

For and on behalf of the Board of Directors

Amit J. Bakshi

Managing Director

DIN: 01250925

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

ERIS LIFESCIENCES LTD.

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: May 17, 2023

Milind Talegaonkar

Company Secretary

Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
REVENUE:			
Revenue from operations			
Sale of products	18	16,618.16	13,261.68
Other operating income		233.33	208.75
Total Revenue from Operations		**16,851.49**	**13,470.43**
Other income	19	111.53	260.94
Total Revenue (I)		**16,963.02**	**13,731.37**
EXPENSES:			
(a) Cost of materials consumed	20	1,421.99	1,175.73
(b) Purchases of stock-in-trade		2,063.33	1,417.21
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	38.18	(7.76)
(d) Employee benefits expense	22	3,461.57	2,501.79
(e) Other expenses	23	4,498.96	3,533.91
Total (II)		**11,484.03**	**8,620.88**
		5,367.46	4849.55
Profit before interest, tax, depreciation and amortisation (I - II)		**5,478.99**	**5,110.49**
Finance costs	24	261.68	41.46
Depreciation and amortisation expense	2(c)	1,170.88	647.05
Profit before tax		**4,046.43**	**4,421.98**
Tax expenses :			
(a) Current tax	4	746.59	818.24
(b) Deferred tax		(441.76)	(454.15)
Total tax expense		**304.83**	**364.09**
Profit for the year		**3,741.60**	**4,057.89**
Attributable to :			
- Owners of the company		3,821.58	4,061.13
- Non controlling interest		(79.98)	(3.24)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(0.05)	(15.13)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		0.64	5.31
		0.59	**(9.82)**
Total Comprehensive Income for the year		**3,742.19**	**4,048.07**
Attributable to :			
- Owners of the company		3,822.17	4,051.31
- Non controlling interest		(79.98)	(3.24)
Earnings per equity share of face value ₹ 1 each	25		
Basic (₹)		28.10	29.89
Diluted (₹)		28.07	29.88

See accompanying notes forming part of the consolidated financial statements
In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2023

(₹ in million)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	4,046.43	4,421.98
Adjustments for :		
Depreciation and amortisation expense	1,170.88	647.05
Net Loss on property plant and equipment sold/written off	20.18	42.54
Finance costs	261.68	41.46
Interest income	(22.99)	(60.98)
Acquisition expense for investment in subsidiary	18.86	-
Net gain on sale of investments carried at fair value through profit or loss	(71.27)	(21.73)
Net MTM gain on investments carried at fair value through profit or loss	(0.05)	(144.36)
Provision for other financial assets	1.99	(1.52)
Bad debt written off	0.67	0.02
Deferred capital subsidy	(4.78)	(4.83)
Gain From Termination of Lease	(7.99)	(18.68)
Share based payment expense	31.21	13.55
Operating profit before working capital changes	5,444.82	4,914.50
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1,171.38)	(204.80)
Inventories	47.44	(234.45)
Other assets	(764.59)	(146.87)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(104.97)	151.59
Financial Liabilities	36.12	(2.58)
Provisions	216.99	108.41
Other liabilities	(14.97)	29.69
Cash generated from operations	3,689.46	4,615.49
Net income tax paid	(772.08)	(832.85)
Net cash flow from operating activities (A)	**2,917.38**	**3,782.64**
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(8,414.21)	(1,210.33)
Proceeds from sale of property plant and equipment	1.37	7.58
Consideration paid towards business combination (Including transaction costs)	(6,554.91)	-
Investments in mutual funds and fixed deposit	(300.00)	(2,676.77)
Proceeds from redemption of mutual funds and fixed deposit	5,204.39	795.87
Loan given	(9.23)	(166.15)
Repayment of loan given to others received	215.97	4.38
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	(5.15)	(0.96)
Interest received	40.76	50.28
Net cash flow used in investing activities (B)	**(9,821.01)**	**(3,196.10)**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS * AHMEDABAD

ERIS LIFESCIENCES LTD.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flow from financing activities		
Proceeds from borrowings	11,350.05	450.01
Repayment of borrowings	(3,500.00)	-
Finance costs	(234.30)	(38.50)
Dividend paid	(999.11)	(816.23)
Principal element to lease payment	(87.12)	(115.01)
Increase in share capital due to minority share in subsidiary	-	0.78
Share application money	-	4.51
Compulsory convertible debentures proceeds	327.95	-
Proceeds from issue of equity share capital (Employee stock options plan)	22.78	67.45
Net cash flow from / (used in) financing activities (C)	**6,880.25**	**(446.99)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(23.38)**	**139.55**
Cash and cash equivalents at the beginning of the year	**508.70**	**369.15**
Cash and cash equivalents acquired pursuant to business acquisition (Refer note 27.1)	**74.90**	**-**
Cash and cash equivalents at end of the year {Refer note- 9(a)}	**560.22**	**508.70**

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}		(₹ in million)
Cash on hand	0.28	1.19
Balance with banks		
In Current Account	559.94	402.35
Cheque in hand	-	105.16
Cash and Cash Equivalents as per Cash flow statement	**560.22**	**508.70**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

H. S. Sutaria

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

Hardik Sutaria

Partner

Place: Ahmedabad

Date: May 17, 2023

For and on behalf of the Board of Directors

ERIS LIFESCIENCES LTD.

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital	(₹ in million)
Particulars (refer note-11)	**Amount**
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**
Change in Equity Share Capital	0.06
As at March 31, 2023	**135.99**

B. Other Equity							(₹ in million)
Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2021	**15,503.13**	**-**	**39.74**	**83.82**		**1.74**	**15,628.43**
Add: Profit for the period	4,061.13	-	-	-	-	-	4,061.13
Add: Other comprehensive Income for the year	(9.82)	-	-	-	-	-	(9.82)
Less: Payment of Dividend	(816.48)	-	-	-	-	-	(816.48)
Less: Change in Non-controlling interest (Refer note 27.2)	(1.43)	-	-	-	-	-	(1.43)
Add: Pursuant to Issue of share capital on account of exercie of options	-	67.29	-	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	13.55	-	-	-	13.55
As at March 31, 2022	**18,736.53**	**106.13**	**14.45**	**83.82**	**4.51**	**1.74**	**18,947.18**
Add: Profit for the Year	3,821.58	-	-	-	-	-	3,821.58
Add: Other comprehensive Income for the year	0.59	-	-	-	-	-	0.59
Less: Payment of Dividend	(999.40)	-	-	-	-	-	(999.40)
Add: Pursuant to Issue of share capital on account of exercie of options	-	27.24	-	-	(4.51)	-	22.73
Less: Transfer on account of exercise of options	-	17.64	(17.64)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	31.21	-	-	-	31.21
As at March 31, 2023	**21,559.30**	**151.01**	**28.02**	**83.82**	**-**	**1.74**	**21,823.89**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

H. S. Sutaria

Hardik Sutaria

Partner

Place: Ahmedabad

Date: May 17, 2023

DELOITTE HASKINS & SELLS LLP AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

ERIS LIFESCIENCES LTD.

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: May 17, 2023

Milind Talegaonkar

Company Secretary

Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("Parent Company") and its subsidiaries (together referred to as "the Group") are engaged in the manufacture and marketing of pharmaceutical products. The Parent Company has a manufacturing plant located in Guwahati, Assam. The Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Basis of measurement :

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116
- Long term borrowings at amortised cost using the effective interest rate method
- Share based payments are measured at fair value
- Assets acquired and liabilities assumed as part of business combination are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Basis of consolidation :

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries, being the entities controlled by the Parent Company, as disclosed in Note 35. Control is established when the Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3 Critical Accounting Judgements And Key Sources of Estimation Uncertainity :

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Provision for sales returns (refer note 1.4)
- Estimates of useful lives of property, plant and equipment (refer note 1.5)
- Estimates of useful lives of intangible assets (refer note 1.6)
- Business Combination (refer note 1.7 & 27.1)
- Impairment of Goodwill & Intangible (refer note 1.9 & 26)
- Valuation of inventories (refer note 1.10)
- Employee benefits (refer note 1.14)
- Valuation of deferred tax assets (refer note 1.15)
- Provisions & contingent liabilities (refer note 1.16)
- Employee Stock Option Plan (refer note 33)

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1.4 Revenue recognition:

a. Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.
At the time of recognising provision for sales return Expected Reimbursement Towards Likely Sales return is recognied, which is included in other current assets for the products expected to be returned The Parent Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

c. Other income:
i) Dividend income is recognized when the right to receive dividend is established.
ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.
iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.5 Property, Plant and Equipment (PPE) and Capital work in progress :

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance..

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation is recognised on straight line method based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. In case of addition to building, depreciation is provided on the balance useful life available for use. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use.

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.
The estimated useful lives are mentioned as under -

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold Improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progess, The same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or constuction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current assets".

1.6 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below:

Type of Intangible assets	Useful life
Trademark/Brands	Upto 20 years
License Fees	From 3 to 15 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

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1.7 Business combination and Goodwill

1.7.1 Business combination

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in the consolidated statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date. The acquisition date is the date on which control is transferred to the acquirer.

The consideration transferred for the acquisition of a subsidiary is comprised of:

* fair values of the assets transferred;
* liabilities incurred to the former owners of the acquired business;
* equity interests issued by the Company;
* fair value of any asset or liability resulting from a contingent consideration arrangement; and
* fair value of any pre-existing equity interest in the subsidiary

The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.7.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.8 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The Group measures its equity instruments other than investment in subsidiaries at fair value through profit and loss (FVTPL) in accordance with the requirements of Ind AS 109 . Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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Offsetting of financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.10 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-In-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.11 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

1.12 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit or loss attributable to the equity holders of the Parent Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits, bonus shares and buy back, as appropriate.

1.14 Employee Benefits:

(A) Defined contribution plan: The Group's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

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(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Group also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Group recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc, is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.15 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

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1.17 Leases:

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer note 32)

Lease liability and Right of Use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Group are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.19 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.20 Share-based payment transactions:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Group has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Group measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below.

Amendments to existing Ind AS:

Ind AS 1 – Presentation of Financial Statements

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of this amendment is insignificant in the company's financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Notes to consolidated financial statement for the year ended March 31, 2023

Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment :

(₹ in million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Lease hold Improvements	Total	Right of use asset (Refer note 32)
Gross carrying amount:										
As at March 31, 2021	22.98	326.00	359.60	191.08	427.72	192.88	36.12	-	1,556.38	200.58
Additions during the Year	172.35	-	2.37	12.31	325.47	68.82	-	84.80	666.12	495.37
Deductions during the year	-	-	-	1.01	212.18	104.41	0.24	-	317.84	172.23
As at March 31, 2022	195.33	326.00	361.97	202.38	541.01	157.29	35.88	84.80	1,904.66	523.72
Additions during the Year	33.85	913.78	593.67	52.60	292.55	53.51	127.50	18.18	2,085.65	133.71
Addition due to business combination (Refer note 27.1)	-	-	-	2.62	6.04	0.28	-	-	8.94	25.07
Deductions during the year	-	-	2.08	1.13	127.76	28.64	-	10.17	169.78	18.23
As at March 31, 2023	229.18	1,239.78	953.56	256.47	711.84	182.44	163.38	92.81	3,829.47	664.27
Accumulated depreciation:										
As at March 31, 2021	-	94.66	179.69	100.45	312.52	105.29	13.82	-	806.43	171.75
Additions during the Year	-	8.13	16.61	13.38	88.56	20.60	2.54	3.92	153.74	44.03
Deductions during the year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	-	102.79	196.30	112.96	223.52	36.87	16.12	3.92	692.48	57.37
Additions during the Year	-	10.75	18.73	16.50	164.67	17.34	3.25	11.54	242.78	101.52
Addition due to business combination (Refer note 27.1)	-	-	-	-	-	-	-	-	-	-
Addition due to pre operative expenses	-	-	-	0.65	0.97	0.11	-	-	1.73	-
Deductions during the year	-	-	0.85	0.66	118.05	17.63	-	10.17	147.36	14.79
As at March 31, 2023	-	113.54	214.18	129.45	271.11	36.69	19.37	5.29	789.63	144.10
Net carrying amount										
As at March 31, 2022	195.33	223.21	165.67	89.42	317.49	120.42	19.76	80.88	1,212.18	466.35
As at March 31, 2023	229.18	1,126.24	739.38	127.02	440.73	145.75	144.01	87.52	3,039.84	520.17
Capital work in progress										
As at March 31, 2022	-	-	-	-	-	-	-	-	240.04	-
As at March 31, 2023	-	-	-	-	-	-	-	-	213.78	-

Note:

Capital-Work-in Progress:

Ageing Schedule

(₹ in million)

Capital-Work-in Progress	As on	Amount of Capital-Work-in Progress for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	203.27	10.51	-	-	213.78
Total		203.27	10.51	-	-	213.78
Projects in Progress	March 31,2022	240.04	-	-	-	240.04
Total		240.04	-	-	-	240.04

Capital work in progress - Completion Schedule

(₹ in million)

Capital-Work-in Progress	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	213.78	-	-	-	213.78
Total		213.78	-	-	-	213.78
Projects in progress	March 31,2022	240.04	-	-	-	240.04
Total		240.04	-	-	-	240.04

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(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand/ License fees *	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2021	934.74	7,240.41	50.00	75.84	7,366.25
Additions during the Year	-	125.00	-	65.23	190.23
Deductions during the year	-	-	-	-	-
As at March 31, 2022	934.74	7,365.41	50.00	141.07	7,556.48
Additions during the Year	-	6,552.10	-	39.90	6,592.00
Addition due to business combination (Refer note 27.1)	2,383.74	6,471.01	-	-	6,471.01
Deductions during the year	-	-	-	-	-
As at March 31, 2023	3,318.49	20,388.52	50.00	180.97	20,619.49
Accumulated depreciation:					
As at March 31, 2021	-	476.10	46.46	18.48	541.04
Additions during the Year	-	424.90	3.54	20.84	449.28
Deductions during the year	-	-	-	-	-
As at March 31, 2022	-	901.00	50.00	39.32	990.32
Additions during the Year	-	800.00	-	26.58	826.58
Addition due to business combination (Refer note 27.1)	-	-	-	-	-
Addition due to pre operative expenses	-	-	-	0.06	0.06
Deductions during the year	-	-	-	-	-
As at March 31, 2023	-	1,701.00	50.00	65.96	1,816.96
Net carrying amount					
As at March 31, 2022	934.74	6,464.41	-	101.75	6,566.16
As at March 31, 2023	3,318.49	18,687.52	-	115.01	18,802.53
Intangible assets under development					
As at March 31, 2022	-	-	-	29.82	29.82
As at March 31, 2023	-	-	-	3.43	3.43

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Note:

Intangible Assets under Development:

Ageing Schedule (₹ in million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		-	-	-	3.43	3.43
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Total		14.27	12.12	3.43	-	29.82

Intangible assets under development - Completion Schedule

(₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total		-	3.43	-	-	3.43
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		26.39	-	3.43	-	29.82

1. The Group test impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.
The key assumptions for CGUs with significant amount of goodwill as follows:
Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 3,318.49 millions generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

(c) Depreciation and amortisation expense :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property plant and equipment	242.78	153.74
Depreciation of right of use assets	101.52	44.03
Amortisation of intangible assets	826.58	449.28
Total	1,170.88	647.05

(d) Goodwill :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Eris Lifesciences Limited (On strides brand acquisition)	166.60	166.60
Business combination of Aprica Healthcare Limited	768.14	768.14
Business combination of Eris Oaknet Healthcare Private Limited	2,383.74	-
Total	3,318.49	934.74

* Trademark/ Brand/ License fees addition during the year includes ₹ 2,750 million for acquisition of 9 brands of Dr. Reddy's Laboratories Limited and ₹ 3,400 million for acquisition of 9 brands of Glenmark Laboratories Limited. (Refer note 27.4,27.5)

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Notes to consolidated financial statement for the year ended March 31, 2023

Note 3: Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Non current Investments				
(I) At Amortised Cost				
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of Rs. 10,000 each	500	5.00	500	5.29
Sub-total (I)		**5.00**		**5.29**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted)(Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	-	-	3,47,183	426.11
ABSL Banking PSU Fund Growth Direct	-	-	4,07,032	123.87
HDFC Ultra Short Fund Direct Growth	-	-	6,25,59,806	776.54
HDFC Floating Rate Income Fund Direct Plan Growth	-	-	99,74,232	399.92
ABSL Floating Rate Fund -Growth Direct	-	-	12,92,840	366.58
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	-	-	8,47,618	371.01
Kotak Savings Fund Direct Plan Growth	-	-	1,17,69,499	424.06
SBI Magnum Ultra Short Duration Fund - Growth Direct	-	-	1,64,707	806.58
IDFC Corporate Bond Fund Direct Plan Growth	-	-	2,96,98,080	476.36
		-		**4,171.03**
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.10	1,000	1.18
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.11	1,000	1.16
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.09	1,000	1.16
		3.30		**3.50**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Limited (Unquoted) of Rs.10 each	3,81,588	28.62	3,81,588	28.62
Docplix Solutions Private Limited (Unquoted) (Refer note 3.2) of Rs.10 each	2,068	30.01	-	-
		58.63		**28.62**
Sub-total (II=A+B+C)		**61.93**		**4,203.15**
Total (I)+(II)		**66.93**		**4,208.44**
Aggregate carrying value of quoted investments		3.30		3.50
Aggregate market value of quoted investments		3.30		3.50
Aggregate carrying value of unquoted investments		63.63		4,204.94
Current Investments				
(I) At Amortised Cost				
Investment in NSC (unquoted)	-	0.02	-	0.02
Sub-total (I)		**0.02**		**0.02**
(II) At Fair Value through Profit or Loss				
Investment in Mutual funds (unquoted)(Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	-	-	1,71,801	572.63
SBI Overnight Fund Direct Growth	82,221	300.05	-	-
HDFC Liquid Fund Direct Plan Growth Option	-	-	1,01,041	422.83
Sub-total (II)		**300.05**		**995.46**
Total (I)+(II)		**300.07**		**995.48**

3.1 Details of pledged securities:

Include ₹ Nil million (31-03-2022 - ₹350.00 million) marked under lien against overdraft facilities availed by the Parent company.

3.2 Eris Healthcare Private Limited (Wholly owned subsidiary) has invested in Docplix Solutions Private Limited for ₹ 30.01 million.

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Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for the year	746.59	818.24
Deferred tax:		
Deferred tax (benefit) / expense for the year	(441.76)	(454.15)
	304.83	**364.09**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains / (losses) on defined benefit plans	(0.64)	(5.31)
	(0.64)	**(5.31)**
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	4,046.43	4,421.98
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,402.01	1,561.05
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	69.82	65.48
Effect of income exempt from taxation	(1.47)	(1.23)
Tax incentives	(1,270.11)	(1,214.58)
Brought forward losses for which no deferred tax asset was recognised	(114.47)	-
Adjustment of current tax of prior period	0.26	(11.17)
Others (net)	222.15	(40.77)
Adjusted income tax expense	304.19	358.78
Group's weighted average tax rate	7.52%	8.11%

(d) Income Tax Assets :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	42.43	38.34
Less: Prior period adjustment	(0.14)	(0.41)
Add: Tax paid in advance, net of provisions / (Refund) during the year	3.19	4.50
Closing Balance	**45.48**	**42.43**

(e) Income Tax Liabilities :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	69.97	77.51
Add: Prior period adjustment	1.98	(8.60)
Add: Current tax payable for the year	746.57	829.41
Less: Taxes paid	(779.52)	(828.35)
Closing Balance	**39.00**	**69.97**

(f) Deferred tax assets/ liabilities :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	58.62	69.87
Minimum Alternate Tax credit entitlement	3,858.34	3,380.04
Carry forward tax losses and accumulated depreciation	12.20	72.19
Employee benefits	58.13	48.93
Fair Valuation of Investment	1.51	-
Other	16.86	25.70
	4,005.66	**3,596.73**
Deferred tax liabilities		
Intangible Assets	3,842.60	1,572.54
Fair Valuation of Investment	-	53.79
	3,842.60	**1,626.33**
Total	**163.06**	**1,970.40**

The deferred tax liabilities / assets are off-set, where the Group has a legally enforceable right to set-off assets against liabilities, and are presented in balance sheet as follows:

(₹ in million)

Deferred tax assets	2,739.45	2,431.34
Deferred tax liabilities	2,576.38	460.94
Net Deferred Tax	**163.06**	**1,970.40**

The Group is reasonably certain that future taxable income will be available against which deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

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(₹ in million)

Particulars	Property, plant and equipment	Minimum Alternate Tax credit entitlement	Carry Forward Losses and accumulated depreciation	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :								
At March 31, 2021	**135.57**	**2,779.46**	**40.97**	**55.90**	**(1,516.15)**	**(4.53)**	**19.72**	**1,510.94**
Charged/(Credited)								
- To Profit or Loss	65.70	(600.58)	(31.22)	12.28	56.39	49.26	(5.98)	(454.15)
- To other comprehensive Income	-	-	-	(5.31)	-	-	-	(5.31)
At March 31, 2022	**69.87**	**3,380.04**	**72.19**	**48.93**	**(1,572.54)**	**(53.79)**	**25.70**	**1,970.40**
Charged/(Credited)								
- To Profit or Loss	11.25	(478.30)	59.99	(8.56)	20.32	(55.30)	8.84	(441.76)
- Addition due to business combination (Refer note 27.1)	-	-	-	-	2,249.74	-	-	2,249.74
- To other comprehensive Income	-	-	-	(0.64)	-	-	-	(0.64)
At March 31, 2023	**58.62**	**3,858.34**	**12.20**	**58.13**	**(3,842.60)**	**1.51**	**16.86**	**163.06**

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Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current (Considered Good)		
Security deposits	74.69	44.96
Fixed Deposits	1.84	-
	76.53	44.96
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	0.50	0.54
Fixed Deposits	-	618.99
Interest accrued	0.64	18.27
Security deposits	1.45	29.91
Claims and Other receivables		
- Considered Good	5.20	7.17
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	7.79	674.88
Total	84.32	719.84

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Capital Advances	117.90	243.43
Claims and Other receivables (Refer note 31)	50.00	-
Prepaid expenses	21.89	-
	189.79	243.43
Current		
Prepaid expenses	172.83	214.39
Balances with government authorities		
Goods and Services Tax / Cenvat credit receivable	1,565.62	218.71
Others	3.04	4.36
Expected Reimbursement Towards Likely Sales Return (Refer note 1.4b ~~and note 15~~)	45.00	-
Advance to supplier	680.75	618.42
Advances to employees	6.25	4.97
	2,473.49	1,060.85
Total	2,663.28	1,304.28

Current assets Hypothecated against working capital loan.

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material and Packing Material (including goods-in-transit ₹ 15.65 million (March 31, 2022 - ₹ 11.83 million))	446.99	387.84
Work-in-progress	38.44	19.78
Finished goods	203.77	232.51
Stock-in-trade (including goods-in-transit ₹ 14.33 million (March 31, 2022 - ₹ 35.72 million))	615.54	528.62
Stores, spares & consumables	9.61	10.36
Total	1,314.35	1,179.11

Current assets Hypothecated against working capital loan.

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Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Considered good	-	-
Unsecured Considered good	2,927.09	1,609.68
Considered doubtful:	27.09	27.09
Trade Receivables-credit impaired	8.09	8.09
	2,962.27	1,644.86
Less: Allowance for doubtful debt (expected credit loss)	35.18	35.18
Total	**2,927.09**	**1,609.68**

No dues from directors.

Current assets Hypothecated against working capital loan.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	35.18	35.18
Add : Provision during the year	-	-
Less : Utilisation during the year	-	-
Closing Balance	35.18	35.18

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	March 31,2023	-	2,635.37	261.25	15.00	14.96	0.51	-	2,927.09
	March 31,2022	-	1,266.02	318.40	14.87	9.99	0.14	0.26	1,609.68
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	27.09	-	-	27.09
	March 31,2022	-	-	17.09	-	10.00	-	-	27.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	0.09	0.80	7.20	8.09
	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
Total	March 31,2023	-	2,635.37	261.25	15.00	42.14	1.31	7.20	2,962.27
	March 31,2022	-	1,266.02	335.49	14.87	20.58	5.42	2.48	1,644.86

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Cash on hand	0.28	1.19
Balances with banks in current accounts*	559.94	402.35
Cheque in hand	-	105.16
	560.22	508.70
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender deposit	24.35	14.57
Total	**584.57**	**523.27**

*Includes Unclaimed Dividend of ₹ 1.05 million (Previous year ₹ 0.76 million).

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loans Receivables considered good - Unsecured	9.64	28.20
	9.64	28.20
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	39.86	230.03
Loans Receivables which have significant increase in Credit Risk	5.66	3.67
Loans Receivables - credit impaired	-	-
	45.52	233.70
Less: Allowance for doubtful loan to others	(5.66)	(3.67)
	39.86	230.03
Total	**49.50**	**258.23**

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Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,92,238 (Previous year 13,59,30,197) Equity Shares of ₹1 each, fully paid up	135.99	135.93
Total	**135.99**	**135.93**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	No. of equity shares	₹ in million
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 33)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93
Issued during the year (persuant to ESOP - refer Note 33)	62,041	0.06
Shares outstanding at March 31, 2023	13,59,92,238	135.99

11.2 Details of shareholders Parent more than 5 % equity shares in the Parent Company as at the end of the year

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,55,35,144	40.84%	5,47,59,132	40.28%
2. Rakeshbhai Bhikhabhai Shah	1,56,85,981	11.53%	1,56,84,407	11.54%
3. Bhikhalal Chimanlal Shah	58,68,689	4.32%	88,68,689	6.52%
4. Emerald Investments Limited	1,03,12,132	7.58%	74,77,132	5.50%

11.3 Details of promoters's holding in the Parent Company as at the end of the year

Name of the shareholder	As at March 31, 2023			As at March 31, 2022	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	5,55,35,144	40.84%	1.42%	5,47,59,132	40.28%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%
5. Himanshu Jayantbhai Shah*			-100.00%	4,75,801	0.35%

*Vide letter dated June 29, 2022, the BSE Limited and National Stock Exchange of India Ltd. approved the reclassification of Mr. Himanshu Jayantbhai Shah from the 'Promoter' Category to the 'Public' Category. He is holding shares 4,75,801 as on March 31, 2023.

11.4 Terms / Rights attached to the equity shares:

The Parent Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareParent.

11.5 Share options granted under the Parent Company's employee share option plan:

The Parent Company recognizes compensation expense relating to share-based payments in statement of profit and loss using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Dividend:

The Board of Directors of the Parent Company has declared and paid an interim dividend of ₹ 7.35/- (at the rate of 735 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2022-23 at its meeting held on August 05, 2022.

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Note 12(a) : Other Equity

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	21,559.30	18,736.53
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Securities Premium	151.01	106.13
Share Application Money Pending Allottment	-	4.51
Share based payment reserve	28.02	14.45
Capital redemption reserve	1.74	1.74
Total	**21,823.89**	**18,947.18**

Retained Earnings : Retained Earnings are the profits that the group has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve : The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve :
The Parent Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Capital reserve on Amalgamation of subsidiaries : Capital reserve on amalgamation of subsidiaries is created pursuant to a scheme of amalgamation and shall not be considered to be a reserve created by the Company.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

Note 12(b) : Non-controling interest

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Eris M.J.Biopharm Private Limited	(81.01)	(1.08)
Eris Pharmaceuticals Private Limited	(0.05)	-
Eris Oaknet Healthcare Private Limited	327.95	-
Total	**246.89**	**(1.08)**

Note 13: Borrowings

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Secured		
From Banks - Term Loan	6,444.47	450.00
	6,444.47	450.00
Current		
(a) Secured		
Current maturity of long term Loan	1,305.58	-
From Banks - Working capital Loan	550.00	-
Unsecured loan from Others	0.11	0.11
	1,855.69	0.11
Total	**8,300.16**	**450.11**

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Eris Lifesciences Limited

1. Term Loan of ₹ 2,620 million (previous year ₹ NIL) was obtained by Parent company Eris Lifesciences Limited from Axis Bank and same is repayable in 20 quarterly instalments starting from June 2023. The loan is secured by way of exclusive charge on the Brand / Trademark acquired on acquisition from Dr Reddy's Laboratories Limited.

2. Working capital Loan of ₹ 550 million (previous year ₹ NIL) are secured by way of Current assets.

Charge on Working capital loan is yet to be created.

Eris Therapeutics Limited

Term loan of ₹ 1,500 million (Previous Year ₹ 450 million) was obtained by Eris Therapeutics Limited (Wholly owned subsidiary) from Citi Bank Ltd and same is repayable in 16 quarterly instalments starting from June 2023. The loan is secured by pledge over land and building and hypothecation over Eris Therapeutics Limited's tangible movable property, plant and equipment and corporate guarantee from Parent company. The loan carries interest rate linked to treasury rates. Interest on loan is payable on monthly basis.

Eris Therapeutics Limited has availed working capital facility of ₹ 200 million for which hypothecation has been created over stock and trade receivables of the Eris Therapeutics Limited .

The Parent company has given corporate guarantee to bank for credit facilities upto ₹ 1,700 million availed by Eris Therapeutics Limited As per the deed of corporate guarantee, the Parent company has undertaken not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)

Term loan for ₹ 1,318 million is secured by First Pari-passu charge on brand portfolio acquired by Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) and secured by corporate guarantee of Parent company, having Total Tenor of 3 years from the date of first drawdown, repayable in 12 equal quarterly installments.

Term loan for ₹ 2,320 million is secured by Paripassu charge between all lenders by way of assignment of interest on the portfolio of incoming brands of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) to the extent it satisfies minimum security cover of 1.1x and unconditional and irrevocable corporate guarantee by Parent company having Total Tenor of 20 quarters from the date of first disbursement, repayable in 3rd & 4th quarter - 5%, repayable in 5th to 12th quarter - 40%, repayable in 13th to 16th quarter - 25% and repayble in 17th to 20th quarter - 30%.

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Lease Liabilities		
Lease liabilities	389.74	353.94
	389.74	353.94
(b) Other financial liabilities		
Trade deposits	69.18	34.06
	69.18	34.06
	458.92	**388.00**
Current		
(a) Lease Liabilities		
Lease liabilities	77.21	40.02
	77.21	40.02
(b) Other financial liabilities		
Trade deposits	33.03	0.80
Book overdraft *	151.11	92.59
Dividend Payable	1.05	0.76
Interest accrued	27.38	
Payable towards purchase of property plant and equipment	88.58	27.97
	301.15	122.12
	378.36	**162.14**
Total	**837.27**	**550.14**

* Current assets are hypothecated against WCDL Limit.

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Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	77.93	65.06
Gratuity	38.81	8.92
Provision for sales returns (Refer note below)	324.45	247.16
	441.19	321.14
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	40.82	36.18
Gratuity	40.65	21.10
Provision for sales returns (Refer note below)	612.90	333.29
	694.37	390.57
Total	**1,135.56**	**711.71**

Provision for sales returns :

The Group, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms.
At the time of recognising provision for sales return expected reimbursement towards likely sales return is recognied, which is included in other current assets for the products expected to be returned.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Provision	580.45	464.84
Add : Addition due to business combination (Refer note 27.1)	152.49	-
Add : Provision during the year	324.84	369.86
Less : Utilisation during the year	120.43	254.25
Closing Provision	937.35	580.45
Long Term	324.45	247.16
Short Term	612.90	333.29
Total	**937.35**	**580.45**

Note 16: Other liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred Capital Subsidy Non Current*	18.21	22.82
Other payables	95.01	-
	113.22	22.82
Current		
Statutory liabilities	179.20	152.37
Advances from customers	33.35	38.71
Deferred Capital Subsidy Current*	4.67	4.85
	217.22	195.93
Total	**330.44**	**218.75**

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under the North East Industrial & Investment Promotion Policy (NEIIPP)

Note 17: Trade payables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Due to micro and small enterprises (refer note-34)	187.52	71.80
Due to others	1,060.17	1,105.94
Total	**1,247.69**	**1,177.74**

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	March 31,2023	-	94.64	91.76	1.11	-	-	187.52
	March 31,2022	-	38.71	33.09	-	-	-	71.80
(ii) Others	March 31,2023	-	676.09	374.84	4.67	2.21	2.36	1,060.17
	March 31,2022	-	745.31	357.20	0.94	0.04	2.45	1,105.94
(iii) Disputed dues - MSME	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
Total	**March 31,2023**	-	**770.73**	**466.61**	**5.78**	**2.21**	**2.36**	**1,247.69**
	March 31,2022	-	**784.02**	**390.29**	**0.94**	**0.04**	**2.45**	**1,177.74**

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Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of products	16,618.16	13,261.68
Other operating income		
Goods And Services Tax refund	225.33	206.41
Others	8.00	2.34
	233.33	**208.75**
Total	**16,851.49**	**13,470.43**

Revenue as per contracted price, net of returns	17,418.30	13,740.80
Less : Provision for sales return	324.84	369.86
Less : Scheme, discount and others	475.30	109.26
Revenue from contracts with customers	16,618.16	13,261.68

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income	22.99	60.98
Net gain on sale of investments	71.27	21.73
Net gain on investments carried at fair value through profit or loss	0.05	144.36
Deferred Capital Subsidy (Refer note 19.1)	4.78	4.83
Gain on termination of lease	--	18.68
Miscellaneous income	12.44	10.36
Total	**111.53**	**260.94**

19.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP).

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Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Raw materials and packing materials		
Opening stock	387.84	168.64
Add: Addition due to business combination	67.66	-
Add: Purchases during the year	1,377.00	1,394.93
Add: Job work charges	36.48	-
Less: Closing stock	(446.99)	(387.84)
Total	**1,421.99**	**1,175.73**

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the beginning of the year		
Stock-in-trade	528.62	494.57
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	780.91	**773.15**
Addition due to business combination (Refer note 27.1)		
Stock-in-trade	73.42	-
Finished goods	41.60	-
	115.02	**-**
Inventories at the end of the year		
Stock-in-trade	615.54	528.62
Finished goods	203.77	232.51
Work-in-progress	38.44	19.78
	857.75	**780.91**
Net (increase) / decrease in stocks	**38.18**	**(7.76)**

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages and bonus	3,109.54	2,233.20
Contribution to provident and other funds (Refer note 28)	175.17	137.41
Share based payments to employees (Refer note 33)	31.21	13.55
Staff welfare expenses	145.65	117.63
Total	**3,461.57**	**2,501.79**

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Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Power and fuel	57.02	41.64
Consumption of stores and spares (Indigenous)	47.28	22.88
Labour and security	29.27	27.69
Testing charges	18.59	10.17
Rent (Refer note 32)	22.20	32.45
Formulation Development Expense	61.00	327.38
Freight and forwarding	192.72	194.55
Commission	268.91	197.37
Advertising, publicity and awareness	63.85	87.47
Repairs and maintenance	89.47	55.14
Selling and distribution	1,326.17	734.51
Commission and sitting fees to independent directors	16.80	20.73
Representative Allowance	655.93	505.14
Travelling and conveyance	717.86	343.72
Communication	15.63	10.19
Legal and professional	433.41	473.64
Rates and taxes	92.19	80.87
Insurance	11.94	15.20
Payments to auditors (Refer note below)	10.77	5.06
Loss on property plant and equipment sold/written off	20.05	42.54
Corporate social responsibility expenditure	76.36	66.39
Donations	0.08	1.39
Bank charges	1.77	0.73
Bad debt written off	0.50	0.02
Miscellaneous	269.19	237.04
Total	**4,498.96**	**3,533.91**

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory Audit fee	9.22	3.56
Certification fees and other services	1.55	1.50
Total	**10.77**	**5.06**
Certification fees and other services charged, debited to other than profit and loss account	2.06	-
Grand Total	**12.83**	**5.06**

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense	227.26	13.23
Interest on Lease liability	34.42	28.23
Total	**261.68**	**41.46**

Note 25: Earnings per share

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit after tax for the year (₹ in million)	3,821.58	4,061.13
Weighted average number of equity shares outstanding for basic earning per share	13,59,78,947	13,58,73,030
Add : Dilutive share -Employees stock options outstanding	1,89,163	41,464
Weighted average number of equity shares outstanding for diluted earning per share	13,61,68,109	13,59,14,494
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	28.10	29.89
Diluted earnings per share (in ₹)	28.07	29.88

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Note 26: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group chief operating decision maker is the managing director and the group has only one reportable business segment i.e. 'pharmaceuticals'.

Note 27 : MERGERS AND ACQUISITION

Note 27.1 : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) "EOHPL"

During the year, the Parent Company has completed acquisition of 100% stake in Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) and obtained control on May 12, 2022 from its erstwhile shareholders for a consideration of ₹ 6,554.90 Million (including transaction cost). Further compulsory convertible debentures issued by EOHPL to its erstwhile shareholders has been considered as instruments in the nature of equity resulting into non-controling interest in Consolidated financial statement.

Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) business predominantly comprised of brands in Dermatology and Women's Health segments. The acquisition will provide robust growth platform in the areas of Dermatoloy and Cosmetology.

The acquisition has been accounted for using the acquisition method of accounting.

The following assets and liabilities were recognised as at the date of acquisition (at fair value):

Particulars	₹ in million
Assets	
Value of Identified Intangible Assets- Brands	6,471.01
Inventories	182.68
Trade Receivables	146.70
Tangible assets	8.94
Right-of-use-asset	25.07
Cash and cash equivalents	74.90
Bank balances other than above	4.63
Income tax assets (net)	8.54
Other financial and other assets (Current and Non Current)	106.90
Total Assets	**7,029.37**
Liabilities	
Trade Payables	174.91
Other Liabilities	452.43
Total Liabilities	**627.34**
Net Assets	**6,402.03**
Less: Purchase consideration *	6,536.04
Goodwill (refer note below)	**134.01**
Goodwill (Related to deferred tax liability on intangible asset)	2,249.73
Total Goodwill	**2,383.74**

The fair value of trade receivables acquired as part of the business combination amounted to ₹ 146.70 million and the same is the Contractual amount of such receivables.

Goodwill arose in the acquisition of the above said entity because the consideration paid for the combinations effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill is expected to be deductible for income tax purposes.

From the date of acquisition, EOHPL has contributed total revenue of ₹ 2,268.48 Million and profit after tax of ₹ 454.81 Million to the Group. If the business combination had taken place at the beginning of the year, total revenue would have been ₹ 2,525.44 Million and profit after tax would have been ₹ 477.00 Million.

In view of this acquisition, the figures of year ended March 31, 2022 are not comparable with the current year figures.

Note 27.2 : Arrangement with M. J. Biopharm Private Limited

During the financial year 2021-22, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited ~~(Formerly known as Kinedex Healthcare Private Limited)~~ has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is Parent a 70% stake in Eris M.J. Biopharm Private Limited ~~(Formerly known as Kinedex Healthcare Private Limited)~~ and remaining 30% is held by M. J. Biopharm Private Limited. The initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved completion.

Note 27.3 : Amalgamation and Demerger of subsidiary companies

During the Financial Year 2022-23, on December 23, 2022 Honorable National Company Law Tribunal has approved the scheme of arrangement ("the Scheme") under section 230 and 232 of the Companies Act, 2013. Pursuant to the Scheme, one of the divisions of Eris Healthcare Private Limited - a wholly owned subsidiary of Eris Lifesciences Limited (the "Company") as represented by certain brands and related assets and liabilities is demerged and merged into Aprica Healthcare Limited - a wholly owned subsidiary of the Company with effect from April 1, 2021. This transaction does not have any impact on the Consolidated financial statement of the Group.

Note 27.4 : Acquisition of Brands of Dr. Reddy's Laboratories Limited

During the year, the Parent Company has completed acquisition of 9 brands of Dr. Reddy's Laboratories Limited for a consideration of ₹ 2,750 Million.

Note 27.5 : Acquisition of Brands of Glenmark Pharmaceuticals Limited

During the year, the Company's wholly owned subsidiary Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) has completed acquisition of 9 brands of Glanemark Pharmaceuticals Limited for a consideration of ₹ 3,400 Million.

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Note 28: Employee Benefit Plans

A) Defined contribution plans:

The Group makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Group recognized ₹ 125.55 million (Previous Year ₹ 86.93 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of the scheme.

The Group made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Group recognized ₹ 4.87 million (Previous year ₹ 3.90 million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Group rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 22.66 million (Previous Year ₹ 20.01 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The Parent Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Group's financial statements as at March 31, 2023:

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**195.66**	**171.59**
Current Service Cost	32.25	26.06
Transfer in/(out) obligation	0.13	-
Past Service Cost	8.92	-
On Account of acquisition	38.43	-
Interest Cost	2.52	7.79
Actuarial (gain)/loss on obligation	-	-
- Due to change in Financial Assumptions	(17.15)	(2.17)
- Due to change in Demographic Assumptions	2.60	-
- Due to experience adjustments	13.17	16.93
Benefits paid	(31.24)	(24.54)
Obligations at the end of the year	**245.29**	**195.66**
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**165.64**	**147.92**
Interest Income	8.55	7.11
Expected returns on plan assets	(1.43)	(0.37)
Employer Contributions	16.77	35.52
Benefits paid	(23.70)	(24.54)
Fair Value of plan assets at the end of the year	**165.83**	**165.64**

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(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**245.29**	**195.66**
Less : Fair value of plan assets	(165.83)	(165.64)
Funded status (deficit)	79.46	30.02
Net liability recognised in the financial statement	**79.46**	**30.02**
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	41.17	26.06
Interest Cost	(6.03)	0.68
Expense charged to the statement of profit and loss	**35.14**	**26.74**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.43	0.37
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(17.15)	(2.17)
- Due to change in Demographic Assumptions	2.60	-
- Due to experience adjustments	13.17	16.93
Expense charged to other comprehensive income	**0.05**	**15.13**
Assumptions:		
Discount rate	7.30%	5.65% to 6.85%
Estimated rate of return on plan assets	7.30%	5.65% to 6.85%
Annual increase in salary costs	5% to 6%	5% to 6%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	244.36	193.37
Decrease of 0.5% in discount rate	246.49	198.06
Increase of 0.5% in salary escalation rate	246.39	197.85
Decrease of 0.5% in salary escalation rate	244.40	193.54
Expected future Cash outflows towards the plan are as follows :		
Year 1	80.42	70.86
Year 2	55.25	43.07
Year 3	44.08	31.96
Year 4	31.26	23.34
Year 5	24.94	16.46
Year 6 to 10	48.70	32.38

Investment details of plan assets:

Particulars	March 31, 2023	March 31, 2022
	%	%
Insurer managed funds with Life Insurance Corporation of India	95%	95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	5%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.

2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.

3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.

4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.

5. The expected contribution to be made by Group for gratuity during financial year ending March 31, 2024 is ₹ 27.19 million (previous year ₹ 17.28 million).

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Note 29: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹ in million)

	As at March 31, 2023		As at March 31, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	2,927.09	2,927.09	1,609.68	1,609.68
Cash and cash equivalents	560.22	560.22	508.70	508.70
Other bank balances	24.35	24.35	14.57	14.57
Investment in tax free bonds	5.00	5.00	5.29	5.29
Loans	49.50	49.50	258.23	258.23
Other Financial Asset	84.32	84.32	719.84	719.84
Investment in NSC	0.02	0.02	0.02	0.02
Fair value through profit or loss :				
Investment in mutual funds	300.05	300.05	5,166.49	5,166.49
Investment in equity instruments	58.63	58.63	28.62	28.62
Investment in tax free bonds	3.30	3.30	3.50	3.50
Total	**4,012.48**	**4,012.48**	**8,314.94**	**8,314.94**
Financial Liabilities :				
Amortised cost :				
Borrowings	8,300.16	8,300.16	450.11	450.11
Trade payables	1,247.69	1,247.69	1,177.74	1,177.74
Lease Liabilities	466.95	466.95	393.96	393.96
Other financial liabilities	370.33	370.33	156.18	156.18
Total	**10,385.13**	**10,385.13**	**2,177.99**	**2,177.99**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in million)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	300.05	-	-	300.05
Equity instruments	-	-	58.63	58.63
Tax free bonds	3.30	-	-	3.30
Total	**303.35**	**-**	**58.63**	**361.98**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**303.35**	**-**	**58.63**	**361.98**

(₹ in million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

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Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis.

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Group activities are exposed to variety of financial risks. These risks include market risk , credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. Group is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Group invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 303.35 million and ₹ 5,169.99 million as at March 31, 2023 and March 31, 2022 respectively.

(b) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises majorly from cash and cash equivalents, deposits with banks, investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 3,982.47 million and ₹ 8,314.94 million as at March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, loans, other financial assets and investments, and these financial assets are of good credit quality including those that are past due.

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(c) Liquidity Risk

Liquidity Risk is the risk that the Group will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the group could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Group generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below :

(₹ in million)

As at March 31, 2023	Less than 1 year	1-3 years	More than 3 years
Borrowings	1,855.69	3,604.67	2,899.80
Trade payables	1,247.69	-	-
Lease Liabilities	107.79	195.08	274.37
Other financial liabilities	301.15	-	69.18
	3,512.32	3,799.74	3,183.35

(₹ in million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.11	225.00	225.00
Trade payables	1,177.74	-	-
Lease Liabilities	66.58	135.82	310.53
Other financial liabilities	122.12	-	34.06
	1,366.55	360.82	569.59

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group objective for capital management is to maintain the capital structure which will support the Group strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows. (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans and borrowings	8,767.11	884.07
Less : Cash and bank balances	560.22	508.70
Adjusted net debt	**8,206.89**	**335.37**
Total equity	**21,959.88**	**19,083.11**
Adjusted net debt to adjusted equity ratio	**0.37**	**0.02**
Debt equity considering only borrowings as debt	**0.40**	**0.04**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023, March 31, 2022.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2023 , the Company has floating rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

For the year ended 31 March 2023, every 1% increase or decrease in the floating interest rate component (i.e., Treasury bill) applicable to its borrowings would affect the Company's profit before tax by ₹ 77.17 million (Previous year ₹ 4.50 million)

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Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the related party
1	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director	Mr. Kaushal Shah
	Whole time director	Mr. Krishnakumar Vaidyanathan
	Independent Director	Mr. Rajeev Dalal
	Independent Director	Ms. Kalpana Vasantrai Unadkat
	Independent Director (Upto July 19, 2022)	Mrs. Vijaya Sampath
	Independent Director	Mr. Prashant Gupta
	Independent Director (From July 25, 2022)	Mr. Sujesh Vasudevan
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar
2	**Close family member of Key Management Personnel**	
	Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
3	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by relative of Key Managerial Personnel	Tresna Foundation
	Key Managerial Personnel of subsidiary (w.e.f. September 01, 2022)	Mr. Gagan Atreja
	Key Managerial Personnel of subsidiary (w.e.f. November 11, 2022)	Ms. Shreya Mohan
	Promotor	Mr. Rajendra Patel
	Promotor (Upto June 29, 2022)	Mr. Himanshu Shah
	Firm in which director is a partner	Shardul Amarchand Mangaldas & Co
	Firm in which director is a partner	Khaitan & Co.
	Entity controlled by Promotor (w.e.f. April 01, 2022)	Shah & Company
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

B) Total Transactions with related parties are as follows:

(₹ in million)

Particulars	Key Management Personnel		Close family member of Key		Other Related parties		Total	
(A) Nature of transactions	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Remuneration	134.02	119.34		-		-	134.02	119.34
Sitting fees	3.30	3.23		-		-	3.30	3.23
Reimbursement of expense incurred	2.25	2.17		-		-	2.25	2.17
Commission	13.50	17.50		-			13.50	17.50
Stock Options exercised	0.38	3.77		-		-	0.38	3.77
Salary expense		-	0.51	0.28		-	0.51	0.28
Corporate Social Responsibility		-	-	2.10		-	-	2.10
Contribution to Post-employment benefit plan		-		-	16.76	16.28	16.76	16.28
Purchase of Stock-in-trade	-	-	-	-	63.28	-	63.28	-
Reimbursement of expense incurred	-	-	-	-	5.72	-	5.72	-
Sale of goods	-	-	-	-	0.23	-	0.23	-
Remuneration to promotor	-	-	-	-	5.52	-	5.52	-
Commission to entity controlled by promotor	-	-	-	-	8.10	-	8.10	-
Professional fees to Firm in which director is a partner	-	-	-	-	16.14	-	16.14	-
Professional fees (Capitalised to intangible) to Firm in which director is a partner	-	-	-	-	7.84	-	7.84	-
Remuneration to Key Management Personnel of subsidiaries	-	-	-	-	11.67	-	11.67	-
Reimbursement of expense to Key Management Personnel of subsidiaries	-	-	-	-	0.27	-	0.27	-

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(B)Balances at the end of the year	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022
Trade Payable	7.74	16.14	0.04	0.03	11.18	-	18.96	16.17
Loan	-	-	-	-	0.10	-	0.10	-

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

C) Balances with related parties at end of the year:

(₹ in million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Key Management Personnel compensation**		
	Trade payable	7.74	16.14
2	**Close family member of Key Management Personnel compensation**		
	Trade payable	0.04	0.03
3	**Other Related parties**		
	Loan	0.10	-
	Trade payable	11.18	-

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Note 31: Contingent Liability and Capital Commitment :

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	182.42	173.52
Notices regarding Income-tax matters and from sales tax department	27.27	2.74
Others (Includes ₹ 50 million (Previous year ₹ Nil (refer note 6))	74.18	68.83

Note: The Parent Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier year. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹ 28.40 (Previous year ₹ 28.92 million).

Note 32: Leases Rent Ind AS 116:

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹ in million)

Changes (increase/(decrease))	For Year ended March 31, 2023	For Year ended March 31, 2022
Depreciation	101.53	44.03
Finance costs on lease liability	34.42	28.23
Cash Flow From Lease	(87.12)	(115.66)
Cash Flow From Lease Interest	(34.42)	(28.23)

Note 33: Employee Stock Option Plan (ESOP)

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method is ₹ 16.40 million (Previous year ₹ 13.55 million).

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Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	1,07,536	451.04	2,73,709	451.04
Granted during the year	-	-	-	-
Vested during the year	53,710	451.04	59,197	451.04
Exercised during the year	60,520	451.04	1,49,544	451.04
Lapsed during the year	-	451.04	16,629	451.04
Options outstanding at the end of the year	47,016	451.04	1,07,536	451.04
Options available for grant	1,14,736	-	98,107	-
Options exercisable at the end of the year	47,016	-	53,826	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (in years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	268.77

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equit shares have been approved in Annual General Meeting out of which 2,14,102 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 14.81 previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,14,102	557.24	-	557.24
Granted during the year	-	-	2,14,102	-
Vested during the year	53,512	557.24	-	557.24
Exercised during the year	1,521	557.24	-	557.24
Lapsed during the year	22,443	557.24	-	557.24
Options outstanding at the end of the year	1,90,138	557.24	2,14,102	557.24
Options available for grant	8,64,960	-	11,44,528	-
Options exercisable at the end of the year	47,173	-	-	-

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The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	**341.62**

C. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which 2,79,568 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 510.32. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2023. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ NIL (previous year ₹NIL).

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	-	-	-
Granted during the year	2,79,568	510.32	-	-
Vested during the year	-	510.32	-	-
Exercised during the year	-	510.32	-	-
Lapsed during the year	7,182	510.32	-	-
Options outstanding at the end of the year	2,72,386	510.32	-	-
Options available for grant	8,64,960	-	-	-
Options exercisable at the end of the year	-	-	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	637.90
Volatility	31.99%
Risk-free Rate	7.15%
Exercise Price (₹)	510.32
Time To Maturity (In years)	7.50
Dividend yield	0.96%
Option Fair Value(₹)	**313.34**

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Note 34: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

(₹ in million)

Particulars	March 31, 2023	March 31, 2022
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	187.52	71.80
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

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Note 35 (A): Additional information as required by Paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Details of entities consolidated-

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2023	Proportion of Ownership Interest as on March 31, 2022
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	Subsidiary	India	70.00%	70.00%
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)*	Subsidiary	India	100.00%	0.00%
Aprica Healthcare Limited	Subsidiary	India	100.00%	100.00%
Eris Pharmaceuticals Private Limited	Subsidiary	India	76.00%	76.00%
Eris Healthcare Private Limited	Subsidiary	India	100.00%	100.00%
Eris Therapeutics Limited#	Subsidiary	India	100.00%	100.00%

*Became subsidiary w.e.f. May 12, 2022

Incorporated on June 23, 2021 and commenced commercial production in March 2023.

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2023)		Share in Profit or (Loss) 2022-23		Share in Other Comprehensive Income (OCI) 2022-23		Share in Total Comprehensive Income (TCI) 2022-23	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.1%	22,218.83	106.4%	3,980.09	-252.5%	(1.49)	106.3%	3,978.60
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	1.0%	229.57	-7.1%	(266.44)	5.1%	0.03	-7.1%	(266.41)
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	3.4%	748.24	12.2%	454.81	261.0%	1.54	12.2%	456.35
Aprica Healthcare Limited	3.4%	762.91	0.7%	25.18	52.5%	0.31	0.7%	25.49
Eris Pharmaceuticals Private Limited	0.0%	(0.18)	0.0%	(0.19)	0.0%	-	0.0%	(0.19)
Eris Healthcare Private Limited	-0.8%	(171.80)	-3.0%	(111.53)	28.8%	0.17	-3.0%	(111.36)
Eris Therapeutics Limited	0.9%	198.30	-1.4%	(51.81)	5.1%	0.03	-1.4%	(51.78)
Adjustments arising out of consolidation	-8.0%	(1,779.10)	-7.7%	(288.50)	0.0%	-	-7.7%	(288.50)
Total	**100.0%**	**22,206.77**	**100.0%**	**3,741.61**	**100.0%**	**0.59**	**100.0%**	**3,742.20**
Non controlling Interest in subsidiaries		246.89		(79.98)		-		(79.98)
Total		**21,959.88**		**3,821.59**		**0.59**		**3,662.22**

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Notes to consolidated financial statement for the year ended March 31, 2023

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2022)		Share in Profit or (Loss) 2021-22		Share in Other Comprehensive Income (OCI) 2021-22		Share in Total Comprehensive Income (TCI) 2021-22	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.5%	19,185.56	102.8%	4,171.92	102.3%	(10.05)	102.8%	4,161.87
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedox Healthcare Private Limited)	0.0%	(3.58)	-0.5%	(19.62)	0.0%	-	-0.5%	(19.62)
Aprica Healthcare Limited	1.2%	235.01	2.0%	79.65	-0.5%	0.05	2.0%	79.70
Eris Pharmaceuticals Private Limited	0.0%	0.01	0.0%	(0.04)	0.0%	-	0.0%	(0.04)
Eris Healthcare Private Limited	2.3%	442.17	-2.5%	(100.60)	-1.8%	0.18	-2.5%	(100.42)
Eris Therapeutics Limited	1.3%	250.08	0.0%	-	0.0%	-	0.0%	-
Adjustments arising out of consolidation	-5.4%	(1,027.22)	-1.8%	(73.42)	0.0%	-	-1.8%	(73.42)
Total	100.0%	19,082.03	100.0%	4,057.89	100.0%	(9.82)	100.0%	4,048.07
Non controlling interest in subsidiaries		(1.08)		(3.24)		-		(3.24)
Total		19,083.11		4,061.13		(9.82)		4,051.31

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Note 35 (B) : Other statutory information

i). The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

v). The Group does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:
(a) Loan given by the Group to body corporate as at March 31, 2023. (Refer Note 10)
(b) Investment made by the Group as at March 31, 2023. (Refer Note 3)
(c) Guarantee given by the Group as at March 31, 2023. (Refer note 13)

viii) The borrowings obtained by the Group from banks have been applied for the purposes for which such loans was taken.

ix) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

x) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

xi) The Group has complied with the number of layers prescribed under the Companies Act, 2013

xii) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

xiii) The Group has not revalued its property, plant and equipment during the current or previous year.

xiv) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period except as mentioned in note 13.

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Note 36: Items included in Financial Activities

(₹ in million)

	As at March 31,2022	Cash Flows	Net Additions	Other Changes	As at March 31, 2023
Lease Liability	393.96	(121.54)	133.71	60.82	466.95
Borrowing	450.11	7,858.00	-	(7.95)	8,300.16

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	67.67	(143.89)	474.45	(4.27)	393.96
Borrowing	0.10	-	450.00	0.01	450.11

Note 37: Material Partly Owned Subsidiary

Financial information of a subsidiary that have material non-controlling interests [NCI] is provi

(₹ in million)

Name of subsidiary	Eris M.J.Biopharm Private Limited	
Place of incorporation and operations	India	
	As at March 31, 2023	As at March 31,2022
% of Ownership	70%	70%
Current assets	178.71	75.41
Current liabilities	194.93	106.62
Net current assets	(16.22)	(31.21)
Non-current assets	259.58	37.34
Non-current liabilities	13.79	9.71
Net non-current assets	245.79	27.63
Net assets	229.57	(3.58)
Accumulated NCI	(81.01)	(1.08)

Summarised statement of profit and loss:	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Revenue	171.93	13.62
Expenses	425.29	34.92
Profit after Tax	(266.44)	(19.62)
Other Comprehensive Income	0.03	-
Total comprehensive income	(266.41)	(19.62)
Profit allocated to NCI	(79.93)	(3.24)
Dividends paid to NCI	-	-

Summarised Cash Flow Statement:	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net cash inflow from operating activities	(295.86)	(40.69)
Net cash inflow/(outflow) from investing activities	(266.47)	(10.00)
Net cash inflow/(outflow) from financing activities	570.11	46.94

EOHPL had issued 64,30,000 number of compulsory convertible debentures (CCD) of ₹ 10 each at a premium of ₹ 41 each to the erstwhile shareholders of EOHPL, total amounting to ₹ 327.95 million .These CCDs have been classified as instruments in the nature of equity. As a result non-controling interest in the consolidated financial statements includes ₹ 327.95 million being the CCDs issued to the erstwhile shareholders of EOHPL.

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Note 38: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS * AHMEDABAD

ERIS LIFESCIENCES LTD.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eris Lifesciences Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 standalone 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, 2022, 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 standalone 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 Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Sr No	Key Audit Matter	Auditor's Response
1.	**Carrying value of investments in subsidiaries** Refer note 3 to the Standalone Financial Statements. Investments in subsidiaries of Rs. 2,573.32 million are accounted for at cost less impairment, if any, in the Standalone Balance Sheet as at March 31 2022. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. Significant Management judgement is required in the area of impairment testing, particularly in assessing: (1) whether an event has occurred that may indicate that the investment values may not be recoverable; (2) whether the carrying value of investments can be supported by the recoverable amount, being the higher of fair value less costs to sell or the net present value of future cash flows which are estimated based on the continued use of the asset in the business; (3) the appropriateness of key assumptions to be applied in valuation including whether appropriate revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company. In view of the foregoing, valuation and allocation of investments in subsidiaries has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive testing procedures included evaluation of appropriateness of management's judgement whether any indicators of impairment existed by reviewing financial and other available information / data of the subsidiaries as at March 31, 2022. 3. For those investments where indicators of impairment existed, we have examined management's judgement in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Sr No	Key Audit Matter	Auditor's Response
2.	**Carrying values of acquired intangibles assets** Refer note 2(b) to the Standalone Financial Statements. As at March 31, 2022, the Company had Rs. 4,691.57 million of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of useful life and assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of estimate of useful life and existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive testing procedures included evaluation of appropriateness of management's estimate in determination of useful life and judgement whether any indicators of impairment existed.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report in Annual Report for the year ended March 31, 2022 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Standalone 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 standalone 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 standalone 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.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, no funds(which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 22107723AKZCKS8735)

Mumbai, June 15, 2022

Deloitte
Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED
(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 Eris Lifesciences Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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.

DELOITTE HASKINS & SELLS

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Haskins & Sells LLP

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, 2022, 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)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 22107723AKZCKS8735)

Mumbai, June 15, 2022

Deloitte
Haskins & Sells LLP

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF ERIS LIFESCIENCES LIMITED

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

(i)

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties,(Other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (As amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us,

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statements comprising stock statements, statements on ageing analysis of the debtors, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarter and no material discrepancies have been observed.

(iii) The Company has made investments in and granted unsecured loans, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

	Loan (Rs. in millions)
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	605.78
- Others	178.50
B. Balance outstanding as at balance sheet date:*	
- Subsidiaries	311.26
- Others	239.04

* The amounts reported are at gross amounts, without considering provisions made.
The Company has not provided any advances in nature of loan, guarantee or security to Subsidiaries or any other parties during the year.

(b) The investment made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) During the year loans aggregating to Rs. 41.12 million fell due from certain parties which has been renewed. The details of such loans that fell due and renewed granted during the year are stated below:

	Loan (Rs. in millions)
A. Aggregate amount of dues of existing loans renewed:	
- Subsidiaries	-
- Others	Rs. 41.12 million
B. Percentage of the aggregate to the total loans granted during the year:	
- Subsidiaries	-
- Others	5.24%

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(f) The Company has granted Loans which are repayable on demand details of which are given below:

(Rs in Millions)

	All Parties*	Related Parties*	Others*
Aggregate of loans/advances in nature of loans - Repayable on demand (A)	784.28	605.78	178.50
Percentage of loans/advances in nature of loans to the total loans	100%	77.24%	22.76%

* The amounts reported are at gross amounts, without considering provisions made.

(iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made, as applicable. The Company has not provided any guarantee or securities that are covered under the provisions of sections 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposit or amounts which are deemed to be Deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in million)	Amount Unpaid (Rs. in million)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2016-2017	0.80	0.80
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2017-2018	0.26	0.26

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of paragraph 3 of the order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of paragraph 3 of the order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of paragraph 3 of the order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the paragraph 3 of the order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of paragraph 3 of order is not applicable to the Company.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

(xi) (a) 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 has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the order is not applicable.

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

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to (December 2021) and the internal audit report where issued after the balance sheet date covering the period (January 2022 to March 2022) for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of it's subsidiary companies or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of paragraph 3 of the order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN-22107723AKZCKS8735)

Mumbai, June 15, 2022

ERIS LIFESCIENCES LIMITED
Standalone Balance Sheet as at March 31, 2022

(₹ in million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS :			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2(a)	998.30	728.36
(b) Right-of-use asset	2(a)	461.84	23.46
(c) Goodwill	2(b)	166.60	166.60
(d) Other Intangible assets	2(b)	4,793.29	4,924.81
(e) Intangible assets under development	2(b)	29.82	15.55
(f) Financial assets			
Investments	3	6,781.76	4,809.69
Loans	10	28.20	49.49
Other financial asset	5	43.85	450.10
(g) Income tax assets (net)	4(d)	34.67	34.63
(h) Deferred tax assets (net)	4(f)	2,361.11	1,967.47
(i) Other non-current assets	6	4.63	141.55
Total Non Current Assets		15,704.07	13,311.71
(2) Current Assets			
(a) Inventories	7	847.91	648.46
(b) Financial assets			
Investments	3	995.46	503.97
Trade receivables	8	1,375.55	1,137.57
Cash and cash equivalents	9(a)	447.04	313.48
Other bank balances	9(b)	14.01	13.10
Loans	10	522.10	351.60
Other financial asset	5	673.14	464.85
(c) Other current assets	6	924.88	803.30
Total Current Assets		5,800.09	4,236.33
TOTAL- ASSETS		21,504.16	17,548.04
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.93	135.78
(b) Other Equity	12	19,049.63	15,618.89
Total Equity		19,185.56	15,754.67
(2) Non Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	13	345.04	33.03
(b) Long-term provisions	14	288.38	290.86
(c) Other non-current liabilities	15	22.82	24.92
Total Non Current Liabilities		656.24	348.81
(3) Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	13	36.73	20.39
Trade payables	16		
A) Due to Micro and Small Enterprises		41.49	44.46
B) Due to other than Micro and Small Enterprises		926.21	822.61
Other financial liabilities	13	59.81	74.90
(b) Short-term provisions	14	377.82	268.69
(c) Other current liabilities	15	169.52	138.44
(d) Income tax liabilities (net)	4(e)	50.78	75.07
Total Current Liabilities		1,662.36	1,444.56
Total Liabilities		2,318.60	1,793.37
TOTAL- EQUITY AND LIABILITIES		21,504.16	17,548.04

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
REVENUE:			
Revenue from operations			
Sale of products	17	11,937.73	10,886.45
Other operating income		219.57	201.89
Total Revenue from Operations		**12,157.30**	**11,088.34**
Other income	18	289.89	99.98
Total Revenue (I)		**12,447.19**	**11,188.32**
EXPENSES:			
(a) Cost of materials consumed	19	1,175.73	994.26
(b) Purchases of stock-in-trade		795.88	1,116.54
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	24.90	(125.69)
(d) Employee benefits expense	21	2,221.82	2,070.16
(e) Other expenses	22	3,099.02	2,859.93
Total (II)		**7,317.35**	**6,915.20**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,129.84**	**4,273.12**
Finance costs	23	29.91	7.78
Depreciation and amortisation expense	2 & 39	514.55	376.40
Profit before tax		**4,585.38**	**3,888.94**
Tax expenses :			
(a) Current tax	4	801.72	701.84
(b) Deferred tax		(388.26)	(318.95)
Total tax expense		**413.46**	**382.89**
Profit for the year		**4,171.92**	**3,506.05**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(15.44)	(19.67)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		5.39	6.87
		(10.05)	**(12.80)**
Total Comprehensive Income for the year		**4,161.87**	**3,493.25**
Earnings per equity share of face value ₹ 1 each			
Basic (₹)	24	30.70	25.82
Diluted (₹)		30.70	25.80

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

ERIS LIFESCIENCES LTD.

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

ERIS LIFESCIENCES LIMITED

Standalone Statement of Cash Flows for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	4,585.38	3,888.94
Adjustments for :		
Depreciation and amortisation expense	514.55	376.40
Net Loss on property plant and equipment sold/written off	42.54	0.06
Finance costs	29.91	7.78
Interest income	(99.09)	(38.81)
Provision for doubtful debt / other financial assets	(1.52)	65.10
Bad debt written off	0.02	-
Deferred Capital Subsidy	(4.83)	(9.91)
Net gain on sale of investments	(21.73)	(28.55)
Net gain on investments carried at fair value through profit or loss	(144.36)	(21.22)
Gain from termination of lease	(18.68)	(0.98)
Share based payment expense	13.55	11.20
Operating profit before working capital changes	4,895.74	4,250.01
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(237.98)	265.65
Inventories	(199.45)	6.14
Other asset	(140.07)	131.53
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	100.47	(32.15)
Financial Liabilities	(20.60)	42.38
Provisions	91.21	0.98
Other Liabilities	33.80	(30.10)
Cash generated from operations	4,523.12	4,634.44
Net income tax paid	(829.00)	(680.35)
Net cash flow from operating activities (A)	3,694.12	3,954.09
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(532.83)	(256.16)
Proceeds from sale of property plant and equipment	7.58	0.38
Consideration paid towards investment in subsidiary	(250.08)	-
Investments in mutual funds and fixed deposit	(2,676.49)	(3,720.50)
Proceeds from redemption of mutual funds and Shares	795.87	769.15
Proceeds from redemption of investments in Bonds of subsidiaries	50.00	55.00
Loan given to Subsidiaries	(38.03)	(319.64)
Loan repaid by Subsidiaries	46.41	10.00
Loan to Others repayment received	3.08	1.11
Loan to Others given	(159.15)	(30.00)
Bank balances not considered as cash and cash equivalents-Placed	(0.91)	(12.91)
Interest income	78.19	24.93
Net cash flow used in investing activities (B)	(2,676.36)	(3,478.64)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Standalone Statement of Cash Flow for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flow from financing activities		
Finance costs	(26.98)	(7.57)
Lease payment	(112.95)	(56.92)
Shares issued on exercise of employees stock options	67.45	-
Share application money	4.51	-
Dividend paid	(816.23)	(746.79)
Net cash used in financing activities (C)	(884.20)	(811.28)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	133.56	(335.83)
Cash and cash equivalents at the beginning of the year	313.48	649.31
Cash and cash equivalents at end of the year (Refer note-9(a))	447.04	313.48

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents (Refer note-9(a))		
Cash on hand	0.78	0.43
Balance with banks		
In Current Account	341.10	262.31
Cheque in hand	105.16	50.74
Cash and Cash Equivalents as per Cash flow statement	447.04	313.48

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer

Milind Palegaonkar
Company Secretary
Membership No-A26493

Place: Ahmedabad
Date: June 15, 2022

ERIS LIFESCIENCES LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2022

(₹ in million)

A. Equity Share Capital

Particulars (refer note-11)	Amount
As at March 31, 2020	135.78
Change in Equity Share Capital	-
As at March 31, 2021	135.78
Change in Equity Share Capital	0.15
As at March 31, 2022	135.93

(₹ in million)

B. Other Equity

Particulars (refer note-12)	Retained Earnings	Security Premium	Share based payment reserve	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2020	12,830.93	-	28.56	-	1.74	12,861.23
Add: Profit for the year	3,506.05	-	-	-	-	3,506.05
Add: Other comprehensive income for the year	(12.80)	-	-	-	-	(12.80)
Less: Payment of Dividend	(746.79)	-	-	-	-	(746.79)
Add: Share based payments to employees of the company	-	-	11.20	-	-	11.20
As at March 31, 2021	15,577.39	-	39.76	-	1.74	15,618.89
Add: Profit for the year	4,171.92	-	-	-	-	4,171.92
Less: Payment of Dividend	(816.48)	-	-	-	-	(816.48)
Add: Other comprehensive income for the year	(10.05)	-	-	-	-	(10.05)
Add: Pursuant to issue of share capital on account of exercle of options	-	67.29	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-
Add: Share based payments to employees of the company	-	-	13.55	-	-	13.55
As at March 31, 2022	18,922.78	106.13	14.47	4.51	1.74	19,049.63

See accompanying notes forming part of the standalone financial statements
In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at Shivarth Ambit, Plot No. 142/2, Ram Dass Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380 054, Gujarat, India. The Company is engaged in the manufacture and marketing of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. . Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Critical Accounting Judgements And Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.3)
- Useful lives of property, plant and equipment (refer note 1.4)
- Useful lives of intangible assets (refer note 1.5)
- Impairment of asset (refer note 1.8)
- Valuation of inventories (refer note 1.9)
- Employee benefits (refer note 1.13)
- Valuation of deferred tax assets (refer note 1.14)
- Provisions & contingent liabilities (refer note 1.15)
- Impact of COVID on Business and Financial statements (refer note 25)

1.3 Revenue recognition:

a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

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b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than freehold land and capital work-in progress) is recognised using the Written Down Value method upto March 31, 2021 and by using Straight-line method w.e.f. April 01, 2021. Depreciation is recognised based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use. (Refer note 39)

In case of Lease hold Improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under :

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

1.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below (Refer note 39):

Type of Intangible assets	Useful life
Trademark/Brands	Upto 50 years - upto March 31, 2021 Upto 20 years from April 01, 2021.
License Fees	From 3 to 10 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.6 Business combinations and Goodwill

1.6.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

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1.6.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.7 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The company measures equity investments other than investments in subsidiaries at FVTPL in accordance with the requirements of IND AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per IND AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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1.8 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.9 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost (net of GST), labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost (net of GST).

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.10 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the company's cash management.

1.11 Borrowings cost:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.12 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the profit or loss attributable to the owners of the company by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.13 Employee Benefits:

(A) **Defined contribution plan:** The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) **Defined benefit obligations plan:**

(i) The gratuity scheme is administered through the Life Insurance Corporation of India (LIC). The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) **Short-term employee benefits**

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.14 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

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Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.16 Leases:

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer Note 33)

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.17 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.18 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

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1.19 Perpetual bond :

The company invests in unsecured subordinated perpetual securities. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

1.20 Share-based payment transactions:

Employees Stock Options Plans (ESOP) : Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Amendments to existing Ind AS:

Ind AS 16 – Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1 , 2022 , although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment :

(₹ in million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electrical Installation	Lease hold Improvements	Total	Right of use asset (Refer note 33)
Gross carrying amount:										
As at March 31, 2020	22.98	325.97	355.68	137.78	332.97	140.46	36.12	-	1,351.94	176.93
Additions during the Year	-	-	0.62	50.74	80.81	29.76	-	-	161.95	5.84
Deductions during the Year	-	-	1.32	-	0.12	-	-	-	1.44	-
As at March 31, 2021	22.98	325.97	354.98	188.52	413.66	170.22	36.12	-	1,512.45	182.77
Additions during the Year	-	-	2.37	3.66	310.76	68.82	-	84.80	470.41	494.61
Deductions during the Year	-	-	-	1.01	212.10	104.41	0.24	-	317.76	172.23
As at March 31, 2022	22.98	325.97	357.35	191.17	512.32	134.63	35.88	84.80	1,665.10	505.15
Accumulated depreciation:										
As at March 31, 2020	-	71.09	132.88	75.26	216.24	61.42	6.04	-	562.93	125.69
Depreciation for the Year	-	23.56	46.86	24.32	84.27	35.37	7.78	-	222.16	33.62
Deductions during the Year	-	-	0.94	-	0.06	-	-	-	1.00	-
As at March 31, 2021	-	94.65	178.80	99.58	300.45	96.79	13.82	-	784.09	159.31
Depreciation for the Year*	-	8.13	16.36	12.75	87.63	19.07	2.54	3.92	150.40	42.41
Deductions during the Year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	-	102.78	195.16	111.46	210.52	26.84	16.12	3.92	666.80	43.31
Net carrying amount										
As at March 31, 2021	22.98	232.32	176.18	88.94	113.21	73.43	22.30	-	728.36	23.46
As at March 31, 2022	22.98	223.19	162.19	79.71	301.80	107.79	19.76	80.88	998.30	461.84

* Refer note 39

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(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark / Brand/ License fees	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2020	166.60	5,181.10	50.00	29.95	5,261.05
Additions during the year	-	0.01	-	45.87	45.88
Deductions during the Year	-	-	-	-	-
As at March 31, 2021	166.60	5,181.11	50.00	75.82	5,306.93
Additions during the year		125.00	-	65.22	190.22
Deductions during the Year		-	-	-	-
As at March 31, 2022	166.60	5,306.11	50.00	141.04	5,497.15
Accumulated Amortisation:					
As at March 31, 2020	-	213.33	36.46	11.66	261.50
Amortisation for the Year	-	103.79	10.00	6.83	120.62
As at March 31, 2021	-	317.17	46.46	18.49	382.12
Amortisation for the Year*	-	297.37	3.54	20.83	321.74
As at March 31, 2022	-	614.54	50.00	39.32	703.86
Net carrying amount					
As at March 31, 2021	166.60	4,863.94	3.54	57.33	4,924.81
As at March 31, 2022	166.60	4,691.57	-	101.72	4,793.29
Intangible assets under development					
As at March 31, 2021	-	-	-	15.55	15.55
As at March 31, 2022	-	-	-	29.82	29.82

*Refer note 39

Note:

Capital-Work-in Progress / Intangible Assets under Development:

Ageing Schedule

(₹ in million)

Intangible assets under development	As on	Amount of intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		14.27	12.12	3.43	-	29.82
Projects in Progress	March 31,2021	12.12	3.43	-	-	15.55
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		12.12	3.43	-	-	15.55

Capital work in progress / Intantible assets under development - Completion Schedule

(₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		26.39	-	3.43	-	29.82
Projects in progress	March 31,2021	-	12.12	-	3.43	15.55
Total		-	12.12	-	3.43	15.55

1. The Company tests impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

The key assumptions for CGUs with significant amount of goodwill as follows:

Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 166.60 million generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

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Notes on standalone financial statements for the year ended March 31, 2022

Note 3: Investments

(₹ in million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Non current Investments				
(I) At cost				
(A) Investment in subsidiaries				
(a) In equity instruments of subsidiaries (unquoted) (fully paid up) (Refer note 26)				
Equity shares of ₹10 each held in Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited) (Refer note 3.3 below)	1,82,504	56.92	1,82,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	73,45,361	1,166.32	73,45,361	1,166.32
Equity shares of ₹10 each held in Eris Healthcare Private Limited	43,33,331	900.00	43,33,331	900.00
Equity shares of ₹10 each held in Eris Therapeutics Limited	10,000	0.10	-	-
(b) In preference shares of subsidiaries (unquoted) (fully paid up)				
0.01% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹100 each held in Eris Therapeutics Limited	24,75,000	249.98	-	-
(c) In Unsecured Perpetual Securities of subsidiaries (Refer note 26 & 3.2 below)				
Perpetual securities of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	2,00,00,000	200.00	2,50,00,000	250.00
Sub Total A=(a+b+c)		**2,573.32**		**2,373.24**
(B) Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.29	500	5.00
Sub Total B		**5.29**		**5.00**
Sub Total (I) = A+B		**2,578.61**		**2,378.24**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	426.11	3,47,183	403.71
ABSL Banking PSU Fund Growth Direct	4,07,032	123.87	1,72,981	50.12
HDFC Ultra Short Fund Direct Growth	6,25,59,806	776.54	3,35,59,812	400.68
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	399.92	99,74,232	381.92
ABSL Low Duration Fund Growth Direct		-	6,44,241	355.67
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	371.01	8,47,618	355.74
ABSL Floating Rate Fund -Growth Direct	12,92,840	366.58	-	-
Kotak Savings Fund Direct Plan Growth	1,17,69,499	424.06	-	-
SBI Magnum Ultra Short Duration Fund - Growth Direct	1,64,707	806.58	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	476.36	2,96,98,080	453.42
		4,171.03		**2,399.26**
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.18	1,000	1.21
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.16	1,000	1.19
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.16	1,000	1.17
		3.50		**3.57**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
		28.62		**28.62**
Sub Total (II) = A+B+C		**4,203.15**		**2,431.45**
Total (I)+(II)		**6,781.76**		**4,809.69**
Current Investments				
(I) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	1,71,801	572.63	72,092	232.25
HDFC Liquid Fund Direct Plan Growth Option	1,01,041	422.83	67,165	271.72
Total (I)		**995.46**		**503.97**
Aggregate carrying value of quoted investments		3.50		3.57
Aggregate market value of quoted investments		3.50		3.57
Aggregate carrying value of unquoted investments		7,773.72		5,310.09

3.1 Details of pledged securities:

Include ₹350.00 million (31-03-2021 - ₹350.00 million) marked under lien against overdraft facilities availed by the company.

3.2 Details of perpetual securities:

In the financial year 2018-19, the company has invested in unsecured subordinated perpetual securities issued by Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited), its subsidiary company. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

3.3 Lock in period for Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited)

As per share purchase & shareholders agreement, For a period of 10 (ten) years , Eris Lifesciences Limited and M.J. Biopharm Private Limited shall not, directly or indirectly, transfer or attempt to transfer all or any of the Equity Shares (or any interest therein) held by it to any Person.

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Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	801.72	701.84
Deferred tax:		
Deferred tax (benefit) for current year	(388.26)	(318.95)
	413.46	382.89
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(5.39)	(6.87)
	(5.39)	(6.87)
(c) Reconciliation of tax expense :		
Profit before income taxes	4,585.38	3,888.94
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,602.32	1,358.95
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.48	77.55
Effect of income exempt from taxation	(1.23)	(0.93)
Tax incentives	(1,214.58)	(1,056.82)
Adjustment of current tax of prior year	(9.50)	2.59
Others (net)	(34.42)	(5.32)
Adjusted income tax expense	408.07	376.02
Effective Tax Rate	8.90%	9.67%

(d) Income Tax Assets :

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	34.63	34.47
Less: Prior period adjustment	-	0.51
Add: Tax paid in advance, net of provisions/(Refund) during the year	0.04	0.67
Closing Balance	**34.67**	**34.63**

(e) Income Tax Liabilities :

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	75.07	53.42
Add: Prior period adjustment	(6.55)	2.08
Add: Current tax payable for the year	811.22	699.25
Less: Taxes paid	(828.96)	(679.68)
Closing Balance	**50.78**	**75.07**

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(f) Deferred tax relates to :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	69.87	134.26
Minimum Alternate Tax credit entitlement	3,369.95	2,768.02
Employee benefits	43.55	53.10
Other	23.66	17.32
	3,507.03	2,972.70
Deferred tax liabilities		
Intangible assets	1,092.13	1,000.70
Fair Valuation of Investment	53.79	4.53
	1,145.92	1,005.23
Total	2,361.11	1,967.47

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(₹ in million)

Particulars	Property, plant and equipments	Minimum Alternate Tax credit entitlement	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :							
At March 31, 2020	140.63	2,197.76	66.55	(758.97)	(5.58)	1.26	1,641.65
Charged/(Credited)							
- To Profit or Loss	6.37	(570.26)	20.32	241.73	(1.05)	(16.06)	(318.95)
- To other comprehensive income	-	-	(6.87)	-	-	-	(6.87)
At March 31, 2021	134.26	2,768.02	53.10	(1,000.70)	(4.53)	17.32	1,967.47
Charged/(Credited)							
- To Profit or Loss	64.39	(601.93)	14.94	91.43	49.26	(6.34)	(388.25)
- To other comprehensive income	-	-	(5.39)	-	-	-	(5.39)
At March 31, 2022	69.87	3,369.95	43.55	(1,092.13)	(53.79)	23.66	2,361.11

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Security deposits	43.85	27.40
Fixed Deposits	-	422.70
	43.85	450.10
Current		
Insurance claim receivable	0.54	2.09
Fixed Deposits	618.99	412.78
Interest accrued	18.27	7.59
Security deposits	29.59	35.04
Receivable on sale of investment in subsidiary		
- Considered Good	-	
- Considered doubtful	-	12.00
Less: Allowance for doubtful of recovery	-	(12.00)
Claims and Other receivables		
- Considered Good	5.75	6.35
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	673.14	464.85
	716.99	914.95

Note 6: Other Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital Advances	4.63	141.55
	4.63	141.55
Current		
Prepaid expenses	185.10	59.59
Balances with government authorities		
Goods and services tax credit receivable	151.22	187.35
Others	4.36	2.14
Advances to supplier	584.00	556.88
Advances to employees	0.20	3.34
	924.88	803.30
Total	929.51	944.85

Note 7: Inventories
(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material and Packing Material (including goods-in-transit ₹11.83 million (March 31, 2021 - ₹ 2.03 million))	387.84	168.64
Work-in-progress	19.78	26.42
Finished goods	232.51	252.16
Stock-in-trade (including goods-in-transit ₹35.72 million (March 31, 2021- ₹ 9.59 million))	199.76	198.37
Stores, spares & consumables	8.02	2.87
Total	847.91	648.46

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Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Considered good	-	-
Unsecured Considered good	1,375.55	1,137.57
Trade Receivables which have significant increase in Credit Risk	17.09	17.09
Trade Receivables-credit impaired	8.09	8.09
	1,400.73	1,162.75
Less: Allowance for doubtful debt (expected credit loss)	25.18	25.18
Total	1,375.55	1,137.57

No dues from directors.

For dues from subsidiaries please refer note 29.

(₹ in million)

Movements in allowance for doubtful trade receivables	As at March 31, 2022	As at March 31, 2021
Opening Balance	25.18	20.18
Add : Provision during the year	-	5.00
Less : Utilisation during the year	-	-
Closing Balance	25.18	25.18

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2022	-	1,082.89	290.38	2.14	0.14	-	-	1,375.55
	March 31,2021	-	1,025.73	109.26	2.22	0.36	-	-	1,137.57
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	17.09	-	-	-	-	17.09
	March 31,2021	-	-	17.09	-	-	-	-	17.09
(iii) Undisputed Trade Receivables - Credit impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
	March 31,2021	-	-	-	-	5.56	0.09	2.44	8.09
(vi) Disputed Trade Receivables - Credit impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
Total	March 31,2022	-	1,082.89	307.47	2.14	0.73	5.28	2.22	1,400.73
	March 31,2021	-	1,025.73	126.35	2.22	5.92	0.09	2.44	1,162.75

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand	0.76	0.43
Balances with banks in current accounts*	341.10	262.31
Cheque in hand	105.16	50.74
	447.04	313.48
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender Deposit	14.01	13.10
Total	461.05	326.58

*Includes Unclaimed Dividend of ₹ 0.76 million (Previous year ₹ 0.45 million).

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Loans Receivables considered good - Unsecured	28.20	49.49
	28.20	49.49
Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	311.26	319.64
To others	210.84	31.96
Loans Receivables from others which have significant increase in Credit Risk	3.67	5.19
Loans Receivables - credit impaired	-	-
	525.77	356.79
Less: Allowance for doubtful loan to others	(3.67)	(5.19)
	522.10	351.60
Total	550.30	401.09

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Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,30,197 (Previous year 13,57,80,653) Equity Shares of ₹1 each fully paid up	135.93	135.78
Total	**135.93**	**135.78**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	₹ in million
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 34)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93

11.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,47,59,132	40.28%	5,46,98,423	40.28%
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.54%	1,56,84,407	11.55%
3. Bhikhalal Chimanlal Shah	88,68,689	6.52%	88,92,430	6.55%
4. Emerald Investments Limited	74,77,132	5.50%	74,77,132	5.51%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2022			As at March 31, 2021	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	5,47,59,132	40.28%	0.11%	5,46,98,423	40.28%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%
5. Himanshu Jayantbhai Shah	4,75,801	0.35%	-80.63%	24,57,011	1.81%

11.4 Terms / Rights attached to the equity shares:

The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 their shareholding.

11.5 Share options granted under the Company's employee share option plan:

The Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Buy back of shares:

During the financial year 2019-20, as on January 22, 2020, the Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹ 575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7 Dividend:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on August 5, 2021.

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Note 12: Other Equity

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	18,922.77	15,577.39
Securities premium	106.13	-
Share Application Money Pending Allottment	4.51	-
Share based payment reserve	14.48	39.76
Capital redemption reserve	1.74	1.74
Total	19,049.63	15,618.89

Nature and purpose of reserves :

Retained Earnings : Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve : The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve : The Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

Interim Dividend :

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on August 5, 2021.

Note 13: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
(a) Lease Liabilities		
Lease Liabilities	345.04	33.03
	345.04	33.03
Current		
(a) Lease Liabilities		
Lease Liabilities	36.73	20.39
	36.73	20.39
(b) Other financial liabilities		
Book overdraft *	49.63	70.23
Dividend Payable	0.76	0.45
Payable towards purchase of fixed assets	9.42	4.22
	59.81	74.90
	96.54	95.29
Total	441.58	128.32

* Mutual funds are marked as lien against OD Limit (Refer note 3).

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Note 14: Provisions

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	59.55	62.87
Provision for sales returns (Refer note below)	228.83	227.99
	288.38	290.86
Short Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	33.33	35.84
Gratuity	17.28	13.49
Provision for sales returns (Refer note below)	327.21	219.36
	377.82	268.69
Total	666.20	559.55

Provision for sales returns :

The Company, as a trade practice, accepts returns from market . Provision is made for such sales returns on the basis of historical experience, market conditions and specific contractual terms.

Opening Provision	447.35	377.02
Add : Provision during the year	355.47	240.40
Less : Utilisation during the year	246.78	170.07
Closing Provision	556.04	447.35
Long Term	228.83	227.99
Short Term	327.21	219.36
Total	556.04	447.35

Note 15: Other liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Capital Subsidy Non current*	22.82	24.92
	22.82	24.92
Current		
Statutory liabilities	139.49	118.09
Advances from customers	25.18	12.78
Deferred Capital Subsidy Current*	4.85	7.57
	169.52	138.44
Total	192.34	163.36

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

Note 16: Trade payables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (refer note- 35)	41.49	44.46
Due to others	926.21	822.61
Total	967.70	867.07

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2022	-	15.59	25.90	-	-	-	41.49
	March 31,2021	-	16.58	27.88	-	-	-	44.46
(ii) Others	March 31,2022	-	640.08	283.64	-	0.04	2.45	926.21
	March 31,2021	-	446.18	372.29	1.41	0.03	2.70	822.61
(iii) Disputed dues - MSME	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2022	-	-	-	-	-	-	-
	March 31,2021							
Total	March 31,2022	-	655.67	309.54	-	0.04	2.45	967.70
	March 31,2021	-	462.76	400.17	1.41	0.03	2.70	867.07

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Note 17: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of products (Refer note 37)	11,937.73	10,886.45
Other operating income		
Goods and Services Tax refund	206.41	189.76
Others	13.16	12.13
	219.57	201.89
Total	12,157.30	11,088.34

Revenue as per contracted price, net of returns	12,325.62	11,160.49
Less : Provision for sales return	355.47	240.40
Less : Scheme, discount and others	32.42	33.64
Revenue from contracts with customers	11,937.73	10,886.45

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 18: Other income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest income	99.09	38.81
Net gain on sale of investments	21.73	28.55
Net (loss) / gain on investments carried at fair value through profit or loss	144.36	21.22
Deferred Capital Subsidy (Refer note 18.1)	4.83	9.91
Gain on termination of lease	18.68	0.98
Miscellaneous income	1.20	0.51
Total	289.89	99.98

18.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

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Note 19: Cost of material consumed

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw materials and packing materials		
Opening stock	168.64	300.47
Add: Purchases during the year	1,394.93	862.43
Less: Closing stock	(387.84)	(168.64)
Total	1,175.73	994.26

Note 20: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the beginning of the year		
Stock-in-trade	198.37	122.64
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	476.95	351.26
Inventories at the end of the year		
Stock-in-trade	199.76	198.37
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	452.05	476.95
Net (Increase) / decrease in Stock	24.90	(125.69)

Note 21: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	1,984.12	1,824.74
Contribution to provident and other funds	113.27	126.29
Share based payments to employees	13.55	11.20
Staff welfare expenses	110.88	107.93
Total	2,221.82	2,070.16

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Note 22: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power and fuel	40.08	38.93
Consumption of stores and spares (Indigenous)	20.53	36.03
Labour and security	27.69	22.73
Testing charges	8.97	4.94
Rent	26.49	16.65
Formulation Development Expense	327.38	50.92
Freight and forwarding	151.29	166.46
Commission	164.68	157.62
Advertising, publicity and awareness	64.58	112.23
Repairs and maintenance	54.17	35.54
Selling and distribution	602.88	662.48
Representative Allowance	496.48	436.91
Travelling and conveyance	264.37	187.31
Communication	9.88	10.59
Legal and professional	392.45	353.46
Rates and taxes	70.95	51.84
Insurance	13.96	10.72
Payments to auditors (Refer note below)	4.50	4.59
Royalty Expense	4.30	4.06
Corporate social responsibility expenditure (Refer note 31)	65.43	81.91
Loss on property plant and equipment sold/written off	42.54	0.18
Donations	1.39	0.38
Bank charges	0.60	1.58
Provision for doubtful debt / other financial assets	-	65.10
Bad debt written off	0.02	-
Miscellaneous	243.41	346.77
Total	**3,099.02**	**2,859.93**

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Statutory Audit fee	3.00	3.00
Reimbursement of expenses	-	0.09
Certification fees and other services	1.50	1.50
Grand Total	**4.50**	**4.59**

Note 23: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest expense	0.01	0.11
Interest on financial liabilities at amortised cost	2.93	1.15
Interest on Lease Liability	26.97	6.52
Total	**29.91**	**7.78**

Note 24: Earnings per share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net profit after tax for the year (₹ in million)	4,171.92	3,506.05
Weighted average number of equity shares outstanding for basic earning per share	13,58,73,030	13,57,80,653
Add : Dilutive share -Employees stock options outstanding	41,464	1,02,609
Weighted average number of equity shares outstanding for diluted earning per share	13,59,14,494	13,58,83,262
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	30.70	25.82
Diluted earnings per share (in ₹)	30.70	25.80

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Note 25 : Impact of COVID on Business and Financial statements

The Company continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain, and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Company's financial statements for the year ended March 31, 2022.

Note 26 : Arrangement with M. J. Biopharm Private Limited

During the year, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is holding a 70% stake in Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) and remaining 30% is held by M. J. Biopharm Private Limited. The Initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved Completion.

Note 27: EMPLOYEE BENEFIT PLANS

A) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹75.83 million (Previous Year ₹75.10 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized ₹2.89 million (Previous year ₹5.15 million) for ESIC contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹11.71 million (Previous Year ₹23.83 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Company's financial statements as at March 31, 2022:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	161.42	127.49
Current Service Cost	22.70	18.34
Transfer in/(out) obligation	1.03	1.61
Interest Cost	7.25	5.90
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(1.89)	0.90
- Due to change in Demographic Assumptions		-
- Due to experience adjustments	16.96	18.76
Benefits paid	(24.54)	(11.58)
Obligations at the end of the year	182.93	161.42
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	147.93	47.59
Interest Income	7.11	2.03
Return on plan assets excluding interest income	(0.37)	(0.01)
Employer Contributions	35.52	109.90
Benefits paid	(24.54)	(11.58)
Fair Value of plan assets at the end of the year	165.65	147.93

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Notes on standalone financial statements for the year ended March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	182.93	161.42
Less : Fair value of plan assets	(165.65)	(147.93)
Funded status (deficit)	17.28	13.49
Net liability recognised in the financial statement	17.28	13.49

(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	22.70	18.34
Interest Cost Net	0.14	3.87
Expense charged to the statement of profit and loss	22.84	22.21
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	0.37	0.01
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(1.89)	0.90
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.96	18.76
Expense charged to other comprehensive income	15.44	19.67
Assumptions:		
Discount rate	5.65%	5.20%
Estimated rate of return on plan assets	5.65%	5.20%
Annual increase in salary costs	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	180.90	159.64
Decrease of 0.5% in discount rate	185.04	163.27
Increase of 0.5% in salary escalation rate	184.88	163.14
Decrease of 0.5% in salary escalation rate	181.04	159.75
Expected future Cash outflows towards the plan are as follows :		
Year 1	67.04	61.72
Year 2	40.98	33.57
Year 3	30.23	25.70
Year 4	22.07	18.78
Year 5	15.41	13.50
Year 6 to 10	29.40	25.48

Investment details of plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
	%	%
Insurer managed funds with Life Insurance Corporation of India	95%	94%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	6%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by company for gratuity during financial year ending March 31, 2023 is ₹17.28 million (previous year ₹13.49 million).

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Note 28: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹ in million)

	As at March 31, 2022		As at March 31, 2021	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	1,375.55	1,375.55	1,137.57	1,137.57
Cash and cash equivalents	447.04	447.04	313.48	313.48
Other bank balances	14.01	14.01	13.10	13.10
Investment in tax free bonds	5.29	5.29	5.00	5.00
Loans	550.30	550.30	401.09	401.09
Other Financial Asset	716.99	716.99	914.95	914.95
Fair value through profit or loss :				
Investment in mutual funds	5,166.49	5,166.49	2,903.23	2,903.23
Investment in tax free bonds	3.50	3.50	3.57	3.57
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Total	8,307.79	8,307.79	5,720.61	5,720.61
Financial Liabilities :				
Amortised cost :				
Trade payables	967.70	967.70	867.07	867.07
Other financial liabilities	59.81	59.81	74.90	74.90
Lease Liability	381.77	381.77	53.42	53.42
Total	1,409.28	1,409.28	995.39	995.39

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	5,169.99	-	28.62	5,198.61
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	5,169.99	-	28.62	5,198.61

(₹ in million)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	2,903.23	-	-	2,903.23
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	2,906.80	-	28.62	2,935.42
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	2,906.80	-	28.62	2,935.42

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Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity Investments : Fair value of Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Company's activities are exposed to variety of financial risks. These risks include market risk, credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely Interest rate risk, currency risk and other price risk such as equity price risk. The Company is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Company invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 5,169.99 million and ₹ 2,906.80 million as at March 31, 2022 and March 31, 2021 respectively.

(b) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 8,307.79 million and ₹ 5,720.61 million as at March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets, loans and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

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(c) Liquidity Risk

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows :

(₹ in million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Trade payables	967.70	-	-
Other financial liabilities	59.81	-	-
Lease Liability	62.37	128.39	308.91
	1,089.88	128.39	308.91

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Trade payables	867.07	-	-
Other financial liabilities	74.90	-	-
Lease Liability	24.08	23.68	14.49
	966.05	23.68	14.49

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total loans and borrowings	381.77	53.42
Less : Cash and bank balances	447.04	313.48
Adjusted net debt	(65.27)	(260.06)
Total equity	19,185.56	15,754.67
Adjusted net debt to adjusted equity ratio	(0.00)	(0.02)
Debt equity considering only borrowings as debt	0.02	0.00

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022; March 31, 2021.

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Note 29: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Nature of Relationship	Name of the entity
1. Subsidiaries	
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)
	Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)
	Eris Healthcare Private Limited
	Eris Therapeutics Limited (w.e.f. June 23, 2021)
	Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020)
2. Key Managerial Personnel	
Managing Director	Mr. Amit Bakshi
Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
Whole time director	Mr. Inderjeet Singh Negi
Whole time director (From August 04, 2020)	Mr. Kaushal Shah
Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
Independent Director	Mrs. Vijaya Sampath
Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
Independent Director	Mr. Prashant Gupta
Chief Financial Officer	Mr. Sachin Shah
Company Secretary	Mr. Milind Talegaonkar
3. Close family member of Key Management Personnel	
Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
4. Other Related parties	
Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
Entity controlled by relative of Key Managerial Personnel (w.e.f. August 21, 2021)	Tresna Foundation
Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

B) Total Transactions with related parties are as follows:

(₹ in million)

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Investment in / (Redemption of) Perpetual bond	(50.00)	(45.00)	-	-	-	-	-	-	(50.00)	(45.00)
Investment in Equity share capital	0.10	-	-	-	-	-	-	-	0.10	-
Investment in Preference share capital	249.98	-	-	-	-	-	-	-	249.98	-
Loans Given	605.78	318.00	-	-	-	-	-	-	605.78	318.00
Loans Received back	604.75	18.00	-	-	-	-	-	-	604.75	18.00
Sales of Finished goods	149.92	208.76	-	-	-	-	-	-	149.92	208.76
Purchases of Stock-in-trade	127.71	47.01	-	-	-	-	-	-	127.71	47.01
Royalty Income	11.05	9.73	-	-	-	-	-	-	11.05	9.73
Interest Income	35.54	15.95	-	-	-	-	-	-	35.54	15.95
Royalty Expense	4.30	4.06	-	-	-	-	-	-	4.30	4.06
Reimbursement of expense incurred	1.03	-	2.17	1.55	-	-	-	-	3.20	1.55
Remuneration	-	-	119.34	93.72	-	-	-	-	119.34	93.72
Sitting fees	-	-	3.23	3.00	-	-	-	-	3.23	3.00
Commission	-	-	17.50	2.69	-	-	-	-	17.50	2.69
Stock Options exercised	-	-	3.77	-	-	-	-	-	3.77	-
Salary expense	-	-	-	-	0.28	0.65	-	-	0.28	0.65
Corporate Social Responsibility	-	-	-	-	2.10	-	-	-	2.10	-
Contribution to Post-employment benefit plan	-	-	-	-	-	-	16.28	41.88	16.28	41.88

(B)Balances at the end of the year	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021
Perpetual bond	200.00	250.00	-	-	-	-	-	-	200.00	250.00
Trade Receivable	0.88	3.31	-	-	-	-	-	-	0.88	3.31
Advance from Customer	3.81	0.01	-	-	-	-	-	-	3.81	0.01
Advance to Creditor	3.35	-	-	-	-	-	-	-	3.35	-
Trade payable	-	1.54	16.14	5.40	0.03	-	-	-	16.17	6.94
Loans and advances Given	311.26	319.64	-	-	-	-	-	-	311.26	319.64

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ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Notes on standalone financial statements for the year ended March 31, 2022

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Transaction with Subsidiaries**		
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) (Refer note 26)		
	Interest Income	0.25	-
	Loans Given	46.18	-
	Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)		
	Purchases of Stock-in-trade	0.02	1.55
	Sales of Finished goods	57.05	63.95
	Investment in / (Redemption of) Perpetual bond	(50.00)	(45.00)
	Loan given	-	1.50
	Loans Received back	-	11.50
	Royalty Income	5.52	5.47
	Reimbursement of expense incurred	1.03	-
	Royalty expense	2.39	2.42
	Interest Income	-	0.40
	Eris Healthcare Private Limited		
	Royalty expense	1.91	1.64
	Sales of Finished goods	97.87	144.81
	Loans given	157.50	316.50
	Loans Received back	202.65	6.50
	Purchases of Stock-in-trade	127.69	45.46
	Interest income	29.66	15.55
	Royalty income	5.53	4.26
	Eris Therapeutics Limited		
	Investment in Equity share capital	0.10	-
	Investment in Preference share capital	249.98	-
	Loans given	402.10	-
	Loans Received back	402.10	-
	Interest Income	5.63	-
2	**Key Management Personnel compensation**		
	Remuneration *	119.34	93.72
	Sitting fees	3.23	3.00
	Reimbursement of expense	2.17	1.55
	Commission	17.50	2.69
	Stock Options exercised	3.77	-
3	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.28	0.65
	Corporate Social Responsibility	2.10	-
4	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.28	41.88

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

(₹ in million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) (Refer note 26)**		
	Loans and advances Given	46.41	-
	Trade payable	-	1.54
	Trade Receivable	0.82	1.61
2	**Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)**		
	Loans and advances Given	-	-
	Perpetual bond	200.00	250.00
	Trade Receivable	-	1.00
	Advance from Customer	3.81	0.01
3	**Eris Healthcare Private Limited**	-	-
	Loans and advances Given	264.85	319.64
	Advance to Creditors	3.35	-
	Trade receivable	-	0.70
4	**Eris Therapeutics Limited**		
	Trade receivable	0.06	-
5	**Key Management Personnel compensation**	-	-
	Trade Payable	16.14	5.40
6	**Close family member of Key Management Personnel compensation**		
	Trade Payable	0.03	-

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Note 30: Loans to group Companies

Disclosures pursuant to Regulation 34(3) read with Para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013.

(₹ in million)

Name of the Subsidiary	Amount outstanding as at				Maximum balance during the year	
	March 31, 2022		March 31, 2021		2021-22	2020-21
	Amount	% of Total Loan	Amount	% of Total Loan		
Promotors	-	-	-	-		
Directors	-	-	-	-		
KMPs	-	-	-	-		
Related Parties	311.26	56.19%	319.64	78.67%	860.23	331.53
Eris Healthcare Private Limited	264.85	47.81%	319.64	78.67%	419.31	319.64
Eris M.J.Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	46.41	8.38%	-	0.00%	46.41	-
Eris Therapeutics Limited	-	0.00%	-	0.00%	394.51	-
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	-	0.00%	-	0.00%	-	11.89

Notes

a) The loanees did not hold any shares in the Share capital of the Company.

b) All loans given are for the purposes of the business and repayable on demand hence considered short term.

Note 31: Corporate Social Responsibility (CSR) expenditure

Disclosures pertaining to corporate social responsibility activities:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate Social Responsibility expenses for the year	65.43	81.91
Nature of CSR activities		
Medical	62.46	57.09
Educational	2.97	1.14
Other	-	1.10
Gross amount required to be spent by the company during the year.	65.43	59.04
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	65.43	59.33
Details of related party transactions	2.10	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
The reason for above shortfalls by way of a note	-	-

Excess amount for set off

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Two percent of average net profit of the Company as per section 135(5)	65.43	59.04
(ii) Total amount spent for the Financial Year	195.08	59.33
(iii) Excess amount spent for the Financial Year [(ii)-(i)]	129.65	0.29
(iv) Amount available for set off from preceding financial years	0.29	-
(v) Amount available for set off in succeeding financial years [(iii)+(iv)]	129.94	0.29

Note 32: Contingent Liability and Capital Commitment

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	173.52	164.62
Notices regarding income-tax matters	1.06	0.80
Others	68.83	17.74
Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years. Management does not expect any cash outflow from this matter.		

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for Nil (Previous year ₹28.92 million).

The Company has given letter of comfort to bank for credit facilities upto ₹ 1500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Company does not expect any outflow of resources in respect of the above.

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Note 33: Lease rent IND AS 116

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹ in million)

Changes [Increase/(decrease)]	For Year ended March 31, 2022	For Year ended March 31, 2021
Depreciation and Amortisation	42.41	33.62
Finance costs on lease liability	26.97	6.52
Cash Flow From Lease	(112.95)	(56.92)
Cash Flow From Lease interest	(26.97)	(6.52)

Note 34: ESOP

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is ₹13.55 million and for financial year 2020-21 is ₹ 11.20 million.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,73,709	451.04	3,21,930	451.04
Granted during the year	-	-	-	-
Vested during the year	59,197	451.04	68,176	451.04
Exercised during the year	1,49,544	451.04	-	-
Lapsed during the year	16,629	451.04	48,221	451.04
Options outstanding at the end of the year	1,07,536	451.04	2,73,709	451.04
Options available for grant	98,107	451.04	49,886	451.04
Options exercisable at the end of the year	53,826	451.04	1,56,977	451.04

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value(₹)	**268.77**

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B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option ()
Option outstanding at the beginning of the year	-	-
Granted during the year	2,14,102	557.24
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Options outstanding at the end of the year	2,14,102	557.24
Options available for grant	11,44,528	-
Options exercisable at the end of the year	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	5.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	**341.62**

Note 35: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	41.49	44.46
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act.	-	-

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Note 36 (A) : Financial Ratio

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance	Remarks for variance
Liquidity Ratio (in times)						
Current Ratio	Current Assets	Current Liabilities	3.49	2.93	18.97%	
Solvency Ratio (in times)						
Debt – Equity Ratio	Total Debt(1)	Shareholder's Equity	0.02	0.00	486.86%	Debt represent Lease Liabilities - Change in solvency ratio is due to new lease agreements entered during FY 2021-22.
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt Service(3)	77.13	61.32	25.77%	
Profitability ratio (in %)						
Net profit ratio	Profit After Tax	Sale of products	34.95%	32.21%	8.51%	
Return on Equity (ROE):	Profit After Tax	Average Shareholder's Equity	23.88%	24.39%	-2.08%	
Return on capital employed (ROCE)	Earning before interest and tax	Capital Employed (4)	31.66%	36.41%	-13.06%	
Return on investment (ROI)	Income generated from investments	Time weighted average investments	4.48%	2.20%	103.56%	In FY 21 investments were done in liquid funds but due to change in investment strategy the investments were then diversified into Debt Mutual funds and FD's to generate higher returns
Utilization Ratio (in times)						
Trade receivables turnover ratio	Sale of products	Average Trade Receivables	9.50	8.55	11.08%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.67	3.05	-12.42%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.75	4.35	9.22%	
Net capital turnover ratio	Net Sales	Working Capital	2.89	3.90	-26.01%	Higher efficiency on working capital improvement has impacted change in this ratio.

Notes

(1) Debt represents only lease liabilities.

(2) "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Lease payments for the current year

(4) Tangible net worth + deferred tax liabilities + Lease Liabilities

Note 36 (B) : Other statutory information

i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

v). The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). . Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2022. (Refer Note 10)

(b) Investment made by the Company as at March 31, 2022. (Refer Note 3)

(c) No Guarantee has been given by the Company as at March 31, 2022. (Refer note 32)

ERIS LIFESCIENCES LTD.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Note 37: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the managing director and the company has only one reportable business segment i.e. 'pharmaceuticals'.

Note 38: Items included in Financial Activities (₹ in million)

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	53.42	(139.92)	473.80	(5.53)	381.77

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	105.48	(63.44)	5.84	5.54	53.42

Note 39: Change in method of Depreciation and Amortisation

During the year, the Management has reassessed the useful life of brands after taking into consideration prevalent industry practices. Based on the said reassessment, useful life of Brands in Intangible assets has been revised to 20 years from 50 years with effect from April 01, 2021.

During the year, the Management has also reassessed the method of providing depreciation on tangible assets after taking into consideration past experience and expected usage. Based on the said reassessment, method of depreciation has been changed to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment and Right of Use assets with effect from April 01,2021.

The Company has accounted for these changes in estimate of useful life and depreciation method prospectively and consequently, depreciation and amortisation expense for the year ended March 31, 2022 is higher by ₹ 1.88 Million.

Note 40: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ERIS LIFESCIENCES LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matter section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Carrying values of acquired intangibles assets** Refer note 2(b) to the Consolidated Financial Statements. As at 31 March 2022, the Group had Rs. 6,464.41 millions of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Group operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of Parent company's management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. Our substantive testing procedures included evaluation of appropriateness of management's estimate and judgement whether any indicators of impairment existed. 2. The Component auditor have reported to us that they have also performed above procedures.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Sr. No.	Key Audit Matter	Auditor's Response
2	**Carrying value of Goodwill** Refer to note 2(b) to the consolidated financial statements. As at 31 March 2022, the Group's carrying value of goodwill is Rs. 934.74 millions. In accordance with Ind AS, goodwill needs to be tested for impairment annually. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit or group of cash generating units (CGU) and determination of recoverable amount of the underlying CGUs. Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations, the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of goodwill has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's basis for allocation of goodwill to CGUs and determination of recoverable amounts to measure the impairment provision, if any, that needs to be accounted for. 2. As part of our substantive testing procedures, we have examined management's judgement and estimates in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections. We also assessed the disclosures made by the Company.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report in Annual Report for the year ended March 31, 2022 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Parent 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other

auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matter

We did not audit the financial statements/financial information of Five subsidiaries, whose financial statements/financial information reflect total assets of Rs. 2,244.91 Millions as at 31st March, 2022, total revenues of Rs. 1,608.62 Millions and net cash inflows amounting to Rs. 5.99 Millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matter section above we report, to the extent applicable that:

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

   ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies.

   iv) (a) The respective Managements of the Parent and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements , no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN: 22107723AKZCQR4672)

MUMBAI, June 15, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED
(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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Eris Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 the respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, 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 and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Deloitte
Haskins & Sells LLP

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 and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, have, 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, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Five subsidiary companies, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN: 22107723AKZCQR4672)

MUMBAI, June 15, 2022

ERIS LIFESCIENCES LIMITED

Consolidated Balance Sheet as at March 31, 2022

(₹ in million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	1,212.18	749.95
(b) Right-of-use asset	2(a)	466.35	28.83
(c) Capital Work in progress	2(a)	240.04	-
(d) Goodwill	2(b)	934.74	934.74
(e) Other Intangible assets	2(b)	6,566.16	6,825.21
(f) Intangible assets under development	2(b)	29.82	15.55
(g) Financial assets			
Investments	3	4,208.44	2,436.45
Loans	10	28.20	49.49
Other financial asset	5	44.96	450.91
(h) Income tax assets (net)	4(d)	42.43	38.34
(i) Deferred tax assets (net)	4(f)	2,431.34	2,006.32
(j) Other non-current assets	6	243.43	141.55
Total Non current assets		**16,448.09**	**13,677.34**
(2) Current assets			
(a) Inventories	7	1,179.11	944.66
(b) Financial assets			
Investments	3	995.48	503.99
Trade receivables	8	1,609.68	1,404.88
Cash and cash equivalents	9(a)	508.70	369.15
Other bank balances	9(b)	14.57	13.61
Loans	10	230.03	45.45
Other financial asset	5	674.88	466.22
(c) Other current assets	6	1,060.85	922.50
Total Current assets		**6,273.30**	**4,670.46**
TOTAL - ASSETS		**22,721.39**	**18,347.80**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.93	135.78
(b) Other Equity	12	18,947.18	15,628.43
Equity attributable to the owners of the company		19,083.11	15,764.21
Non-controlling interest		(1.08)	0.02
Total Equity		**19,082.03**	**15,764.23**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

ERIS LIFESCIENCES LIMITED

Consolidated Balance Sheet as at March 31, 2022

(₹ in million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
(2) Non Current Liabilities			
(a) Financial Liabilities			
Long term Borrowings	13	450.00	-
Lease Liabilities	14	353.94	44.47
Other financial liabilities	14	34.06	36.19
(b) Long-term provisions	15	321.14	313.30
(c) Other non-current liabilities	16	22.82	24.92
(d) Deferred tax liabilities (net)	4(f)	460.94	495.38
Total Non Current Liabilities		**1,642.90**	**914.26**
(3) Current liabilities			
(a) Financial Liabilities			
Trade payables			
A) Due to Micro and Small Enterprises	17	71.80	72.75
B) Due to other than Micro and Small Enterprises		1,105.94	953.41
Lease Liabilities	14	40.02	23.20
Other financial liabilities	14	122.12	98.51
Short term borrowings	13	0.11	0.10
(b) Short-term provisions	15	390.57	274.87
(c) Other current liabilities	16	195.93	168.96
(d) Income tax liabilities (net)	4(e)	69.97	77.51
Total Current Liabilities		**1,996.46**	**1,669.31**
Total Liabilities		**3,639.36**	**2,583.57**
TOTAL - EQUITY AND LIABILITIES		**22,721.39**	**18,347.80**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Manoj H. Dama

Partner

Place: Mumbai

Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: June 15, 2022

Milind Talegaonkar

Company Secretary

Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
REVENUE:			
Revenue from operations			
Sale of products	18	13,261.68	11,926.44
Other operating income		208.75	192.19
Total Revenue from Operations		**13,470.43**	**12,118.63**
Other income	19	260.94	87.08
Total Revenue (I)		**13,731.37**	**12,205.71**
EXPENSES:			
(a) Cost of materials consumed	20	1,175.73	994.26
(b) Purchases of stock-in-trade		1,417.21	1,770.14
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(7.76)	(381.74)
(d) Employee benefits expense	22	2,522.52	2,293.04
(e) Other expenses	23	3,513.18	3,137.17
Total (II)		**8,620.88**	**7,812.87**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,110.49**	**4,392.84**
Finance costs	24	41.46	18.02
Depreciation and amortisation expense	2 & 39	647.05	429.85
Profit before tax		**4,421.98**	**3,944.97**
Tax expenses :	4		
(a) Current tax		818.24	694.02
(b) Deferred tax		(454.15)	(300.40)
Total tax expense		**364.09**	**393.62**
Profit for the year		**4,057.89**	**3,551.35**
Attributable to :			
- Owners of the company		4,061.13	3,551.35
- Non controlling interest		(3.24)	-
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(15.13)	(22.47)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		5.31	7.58
		(9.82)	**(14.89)**
Total Comprehensive Income for the year		**4,048.07**	**3,536.46**
Attributable to :			
- Owners of the company		4,051.31	3,536.46
- Non controlling interest		(3.24)	-
Earnings per equity share of face value ₹ 1 each	25		
Basic (₹)		29.89	26.16
Diluted (₹)		29.88	26.14

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Manoj H. Dama

Partner

Place: Mumbai

Date: June 15, 2022

For and on behalf of the Board of Directors

Amit J. Bakshi

Managing Director

DIN: 01250925

Inderjeet Singh Negi

Whole Time Director

DIN: 01255888

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: June 15, 2022

Milind Talegaonkar

Company Secretary

Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	4,421.98	3,944.97
Adjustments for :		
Depreciation and amortisation expense	647.05	429.85
Net Loss on property plant and equipment sold/written off	42.54	0.06
Finance costs	41.46	18.02
Interest income	(60.98)	(22.85)
Net gain on sale of investments carried at fair value through profit or loss	(21.73)	(28.55)
Net gain on investments carried at fair value through profit or loss	(144.36)	(21.22)
Provision for doubtful debts / Other financial assets	(1.52)	65.10
Bad debt written off	0.02	-
Deferred capital subsidy	(4.83)	(9.91)
Gain From Termination Of Lease Ind As 116	(18.68)	(0.98)
Share based payment expense	13.55	11.20
Operating profit before working capital changes	4,914.50	4,385.69
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(204.80)	158.96
Inventories	(234.45)	(249.91)
Other asset	(146.87)	74.70
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	151.59	25.66
Other liabilities	29.69	(25.53)
Provisions	108.41	3.96
Other Financial Liabilities	(2.58)	65.43
Cash generated from operations	4,615.49	4,438.96
Net income tax paid	(832.85)	(685.35)
Net cash flow from operating activities (A)	3,782.64	3,753.61
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(1,210.33)	(257.63)
Proceeds from sale of property plant and equipment	7.58	0.38
Investments in mutual funds and bonds	(2,676.77)	(3,720.50)
Proceeds from redemption of mutual funds and Shares	795.87	774.20
Loan to Others repayment received	4.38	0.37
Loan to Others given	(166.15)	(30.00)
Bank balances not considered as cash and cash equivalents-Placed	(0.96)	(13.42)
Interest income	50.28	13.02
Net cash flow used in investing activities (B)	(3,196.10)	(3,233.58)

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Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash flow from financing activities		
Proceeds of borrowings	450.01	0.10
Finance costs	(38.50)	(17.81)
Dividend paid	(816.23)	(746.79)
Lease payment	(115.01)	(59.45)
Increase in share capital due to minority share in subsidiary	0.78	-
Share application money	4.51	-
Shares issued on exercise of employees stock options	67.45	-
Net cash used in financing activities (C)	(446.99)	(823.95)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	139.55	(303.92)
Cash and cash equivalents at the beginning of the year	**369.15**	**673.07**
Cash and cash equivalents at end of the year {Refer note- 9(a)}	**508.70**	**369.15**

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

Cash on hand	1.19	0.81
Balance with banks		
In Current Account	402.35	317.60
Cheque in hand	105.16	50.74
Cash and Cash Equivalents as per Cash flow statement	**508.70**	**369.15**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Manoj H. Dama

Partner

Place: Mumbai

Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Sachin Shah

Chief Financial officer

Place: Ahmedabad

Date: June 15, 2022

Milind Talegaonkar

Company Secretary

Membership No-A26493

ERIS LIFESCIENCES LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital	(₹ in million)
Particulars (refer note-11)	Amount
As at March 31, 2020	**135.78**
Change in Equity Share Capital	-
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**

B. Other Equity							(₹ in million)
Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2020	**12,713.46**	**-**	**28.54**	**83.82**		**1.74**	**12,827.56**
Add: Profit for the year	3,551.35	-	-	-		-	3,551.35
Add: Other comprehensive Income for the year	(14.89)	-	-	-		-	(14.89)
Less: Payment of Dividend	(746.79)	-	-	-		-	(746.79)
Add: share based payments to employees of the Parent company	-	-	11.20	-		-	11.20
As at March 31, 2021	**15,503.13**	**-**	**39.74**	**83.82**		**1.74**	**15,628.43**
Add: Profit for the year	4,061.13	-	-	-	-	-	4,061.13
Add: Other comprehensive Income for the year	(9.82)	-	-	-	-	-	(9.82)
Less: Payment of Dividend	(816.48)	-	-	-	-	-	(816.48)
Less: Change in Non-controlling interest (Refer note 27.2)	(1.43)	-	-	-	-	-	(1.43)
Add: Pursuant to Issue of share capital on account of exercise of options	-	67.29	-	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	13.55	-	-	-	13.55
As at March 31, 2022	**18,736.53**	**106.13**	**14.45**	**83.82**	**4.51**	**1.74**	**18,947.18**

See accompanying notes forming part of the consolidated financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("Parent Company") and its subsidiaries (together referred to as "the group") are engaged in the manufacture and marketing of pharmaceutical products. The Parent Company has a manufacturing plant located in Guwahati, Assam. The Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Basis of consolidation :

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by the Company, as disclosed in Note 37. Control is established when the Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3 Critical Accounting Judgements And Key Sources of Estimation Uncertainity :

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.4)
- Useful lives of property, plant and equipment (refer note 1.5)
- Useful lives of intangible assets (refer note 1.6)
- Impairment of asset (refer note 1.9)
- Valuation of inventories (refer note 1.10)
- Employee benefits (refer note 1.14)
- Valuation of deferred tax assets (refer note 1.15)
- Provisions & contingent liabilities (refer note 1.16)
- Impact of COVID on Business and Financial statements (refer note 26)

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1.4 Revenue recognition:

a. Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.5 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than freehold land and capital work-in progress) is recognised using the Written Down Value method upto March 31, 2021 and by using Straight-line method w.e.f. April 01, 2021 (Refer Note 39). Depreciation is recognised based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use. (Refer note 39)

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.
The estimated useful lives are mentioned as under -

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (Including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progess, the same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or constuction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current assets".

1.6 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below: (Refer Note 39)

Type of intangible assets	Useful life
Trademark/Brands	Upto 50 years - upto March 31, 2021 Upto 20 years from April 01, 2021.
License Fees	From 3 to 10 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

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1.7 Business combinations and Goodwill

1.7.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.7.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.8 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The Group measures its equity instruments other than investment in subsidiaries at fair value through profit and loss (FVTPL) in accordance with the requirements of Ind AS 109 . Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per Ind AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.10 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.11 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

1.12 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit or loss attributable to the equity holders of the Parent Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits, bonus shares and buy back, as appropriate.

1.14 Employee Benefits:

(A) Defined contribution plan: The Group's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

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(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Group also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Group recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.15 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

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1.17 Leases:

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer note 32)

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Group are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.19 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.20 Share-based payment transactions:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Group has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the period. The Group measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.23 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Amendments to existing Ind AS:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022 , although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

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Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment :

(₹ in million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Lease hold improvements	Total	Right of use asset (Refer note 32)
Gross carrying amount:										
As at March 31, 2020	22.98	326.00	360.30	140.33	345.52	158.60	36.12	-	1,389.85	193.91
Additions during the Year	-	-	0.62	50.75	82.32	34.28	-	-	167.97	6.67
Deductions during the year	-	-	1.32	-	0.12	-	-	-	1.44	-
As at March 31, 2021	22.98	326.00	359.60	191.08	427.72	192.88	36.12	-	1,556.38	200.58
Additions during the Year	172.35	-	2.37	12.31	325.47	68.82	-	84.80	666.12	495.37
Deductions during the year	-	-	-	1.01	212.18	104.41	0.24	-	317.84	172.23
As at March, 31, 2022	195.33	326.00	361.97	202.38	541.01	157.29	35.88	84.80	1,904.66	523.72
Accumulated depreciation:										
As at March 31, 2020	-	71.10	132.95	75.34	226.40	65.51	6.04	-	577.34	133.63
Additions during the Year	-	23.56	47.68	25.11	86.18	39.78	7.78	-	230.09	38.12
Deductions during the year	-	-	0.94	-	0.06	-	-	-	1.00	-
As at March 31, 2021	-	94.66	179.69	100.45	312.52	105.29	13.82	-	806.43	171.75
Additions during the Year*	-	8.13	16.61	13.38	88.56	20.60	2.54	3.92	153.74	44.03
Deductions during the year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March, 31, 2022	-	102.79	196.30	112.96	223.52	36.87	16.12	3.92	692.48	57.37
Net carrying amount										
As at March 31, 2021	22.98	231.34	179.91	90.63	115.20	87.59	22.30	-	749.95	28.83
As at March, 31, 2022	195.33	223.21	165.67	89.42	317.49	120.42	19.76	80.88	1,212.18	466.35
Capital work in progress										
As at March 31, 2021									-	
As at March 31, 2022									240.04	

*Refer note 39

Note:

Capital-Work-in Progress:

Ageing Schedule

(₹ in million)

Capital-Work-in Progress	As on	Amount of Capital-Work-in Progress for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	240.04	-	-	-	240.04
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		240.04	-	-	-	240.04
Projects in Progress	March 31,2021	-	-	-	-	-
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		-	-	-	-	-

Capital work in progress - Completion Schedule

(₹ in million)

Capital-Work-in Progress	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	240.04	-	-	-	240.04
Total		240.04	-	-	-	240.04
Projects in progress	March 31,2021	-	-	-	-	-
Total		-	-	-	-	-

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Notes to consolidated financial statement for the year ended March 31, 2022

(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2020	934.74	7,240.40	50.00	29.96	7,320.36
Additions during the Year	-	0.01	-	45.88	45.89
Deductions during the year	-	-	-	-	-
As at March 31, 2021	934.74	7,240.41	50.00	75.84	7,366.25
Additions during the Year	-	125.00	-	65.23	190.23
Deductions during the year	-	-	-	-	-
As at March, 31, 2022	934.74	7,365.41	50.00	141.07	7,556.48
Accumulated depreciation:					
As at March 31, 2020	-	331.29	36.46	11.65	379.40
Additions during the Year	-	144.81	10.00	6.83	161.64
Deductions during the year	-	-	-	-	-
As at March 31, 2021	-	476.10	46.46	18.48	541.04
Additions during the Year*	-	424.90	3.54	20.84	449.28
Deductions during the year	-	-	-	-	-
As at March, 31, 2022	-	901.00	50.00	39.32	990.32
Net carrying amount					
As at March 31, 2021	934.74	6,764.31	3.54	57.36	6,825.21
As at March, 31, 2022	934.74	6,464.41	-	101.75	6,566.16
Intangible assets under development					
As at March 31, 2021				15.55	15.55
As at March 31, 2022				29.82	29.82

*Refer note 39

Note:

Intangible Assets under Development:

Ageing Schedule

(₹ in million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		14.27	12.12	3.43	-	29.82
Projects in Progress	March 31,2021	12.12	3.43	-	-	15.55
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		12.12	3.43	-	-	15.55

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Intantible assets under development - Completion Schedule

(₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		26.39	-	3.43	-	29.82
Projects in progress	March 31,2021	-	12.12	-	3.43	15.55
Total		-	12.12	-	3.43	15.55

1. The Group test impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.
The key assumptions for CGUs with significant amount of goodwill as follows:
Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 934.74 million generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

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Note 3: Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Non current investments				
(I) At Amortised Cost				
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of Rs. 10,000 each	500	5.29	500	5.00
Sub-total (I)		**5.29**		**5.00**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted)(Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	426.11	3,47,183	401.71
ABSL Banking PSU Fund Growth Direct	4,07,032	123.87	1,72,981	50.12
HDFC Ultra Short Fund Direct Growth	6,25,59,806	776.54	3,35,59,812	400.68
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	399.92	99,74,232	381.92
ABSL Floating Rate Fund -Growth Direct	12,92,840	366.58	-	-
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	371.01	8,47,618	355.74
ABSL Low Duration Fund Growth Direct	-	-	6,44,241	355.67
Kotak Savings Fund Direct Plan Growth	1,17,69,499	424.06	-	-
SBI Magnum Ultra Short Duration Fund - Growth Direct	1,64,707	806.58	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	476.36	2,96,98,080	453.42
		4,171.03		**2,399.26**
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.18	1,000	1.21
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.16	1,000	1.19
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.16	1,000	1.17
		3.50		**3.57**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
		28.62		**28.62**
Sub-total (II=A+B+C)		**4,203.15**		**2,431.45**
Total (I)+(II)		**4,208.44**		**2,436.45**
Aggregate carrying value of quoted investments		3.50		3.57
Aggregate market value of quoted investments		3.50		3.57
Aggregate carrying value of unquoted investments		4,204.94		2,432.88
Current investments				
(I) At Amortised Cost				
Investment in NSC (unquoted)	-	0.02	-	0.02
Sub-total (I)		**0.02**		**0.02**
(II) At Fair Value through Profit or Loss				
Investment in Mutual funds (unquoted)(Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	1,71,801	572.63	72,092	232.25
HDFC Liquid Fund Direct Plan Growth Option	1,01,041	422.83	67,165	271.72
Sub-total (II)		**995.46**		**503.97**
Total (I)+(II)		**995.48**		**503.99**

3.1 Details of pledged securities:

Include ₹350.00 million (March 31, 2021 - ₹350.00 million) marked under lien against overdraft facilities availed by the Parent company.

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Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	818.24	694.02
Deferred tax:		
Deferred tax (benefit) / expense for current year	(454.15)	(300.40)
	364.09	**393.62**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains / (losses) on defined benefit plans	(5.31)	(7.58)
	(5.31)	**(7.58)**
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	4,421.98	3,944.97
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,561.05	1,373.05
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.48	80.23
Effect of income exempt from taxation	(1.23)	(0.93)
Tax incentives	(1,214.58)	(1,056.82)
Adjustment of current tax of prior period	(11.17)	2.59
Others (net)	(40.77)	(12.08)
Adjusted income tax expense	358.78	386.04
Group's weighted average tax rate	8.11%	9.79%

(d) Income Tax Assets :

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	38.34	39.48
Less: Income tax refund	-	(0.09)
Less: Prior period adjustment	(0.41)	(1.32)
Add: Tax paid in advance, net of provisions / (Refund) during the year	4.50	0.27
Closing Balance	**42.43**	**38.34**

(e) Income Tax Liabilities :

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	77.51	69.99
Add: Prior period adjustment	(8.60)	2.08
Add: Current tax payable for the year	829.41	690.62
Less: Taxes paid	(828.35)	(685.18)
Closing Balance	**69.97**	**77.51**

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(f) Deferred tax relates to :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	69.87	135.57
Minimum Alternate Tax credit entitlement	3,380.04	2,779.46
Carry forward tax losses and accumulated depreciation	72.19	40.97
Employee benefits	48.93	55.90
Other	25.70	19.72
	3,596.73	**3,031.62**
Deferred tax liabilities		
Intangible Assets	1,572.54	1,516.15
Fair Valuation of Investment	53.79	4.53
	1,626.33	**1,520.68**
Total	1,970.40	1,510.94

The deferred tax liabilities / assets are off-set, where the Group has a legally enforceable right to set-off assets against liabilities, and are presented in balance sheet as follows:

Deferred tax assets	2,431.34	2,006.32
Deferred tax liabilities	460.94	495.38
Net Deferred Tax	**1,970.40**	**1,510.94**

The Group is virtually certain that future taxable income will be available against which deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

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(₹ in million)

Particulars	Property, plant and equipment	Minimum Alternate Tax credit entitlement	Carry Forward Losses and accumulated depreciation	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :								
At March 31, 2020	**143.16**	**2,208.74**	**65.12**	**67.81**	**(1,279.26)**	**(5.60)**	**2.99**	**1,202.96**
Charged/(Credited)								
- To Profit or Loss	7.59	(570.72)	24.15	19.49	236.89	(1.07)	(16.73)	(300.40)
- To other comprehensive Income	-	-	-	(7.58)	-	-	-	(7.58)
At March 31, 2021	**135.57**	**2,779.46**	**40.97**	**55.90**	**(1,516.15)**	**(4.53)**	**19.72**	**1,510.94**
Charged/(Credited)								
- To Profit or Loss	65.70	(600.58)	(31.22)	12.28	56.39	49.26	(5.98)	(454.15)
- To other comprehensive Income	-	-	-	(5.31)	-	-	-	(5.31)
At March 31, 2022	**69.87**	**3,380.04**	**72.19**	**48.93**	**(1,572.54)**	**(53.79)**	**25.70**	**1,970.40**

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Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current (Considered Good)		
Security deposits	44.96	28.21
Fixed Deposits	-	422.70
	44.96	**450.91**
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	0.54	2.09
Fixed Deposits	618.99	412.78
Interest accrued	18.27	7.59
Security deposits	29.91	36.36
Receivable on sale of Investment in subsidiary		
- Considered doubtful	-	12.00
Less: Allowance for doubtful of recovery	-	(12.00)
Claims and Other receivables		
- Considered Good	7.17	7.40
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	674.88	**466.22**
Total	719.84	917.13

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Capital Advances	243.43	141.55
	243.43	**141.55**
Current		
Prepaid expenses	214.39	79.90
Balances with government authorities		
Goods and Services Tax / Cenvat credit receivable	218.71	265.40
Others	4.36	2.14
Advance to supplier	618.42	568.27
Advances to employees	4.97	6.79
	1,060.85	**922.50**
Total	1,304.28	1,064.05

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material and Packing Material {including goods-in-transit ₹ 11.83 million (March 31, 2021 - ₹ 2.03 million)}	387.84	168.64
Work-in-progress	19.78	26.42
Finished goods	232.51	252.16
Stock-in-trade {including goods-in-transit ₹ 35.72 million (March 31, 2021 - ₹ 9.59 million)}	528.62	494.57
Stores, spares & consumables	10.36	2.87
Total	1,179.11	944.66

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Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Considered good	-	-
Unsecured Considered good	1,609.68	1,404.88
Considered doubtful	27.09	27.09
Trade Receivables-credit impaired	8.09	8.09
	1,644.86	1,440.06
Less: Allowance for doubtful debt (expected credit loss)	35.18	35.18
Total	1,609.68	1,404.88

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	35.18	30.18
Add : Provision during the year	-	5.00
Less : Utilisation during the year	-	-
Closing Balance	35.18	35.18

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months -	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2022	-	1,266.02	318.40	14.87	9.99	0.14	0.26	1,609.68
	March 31,2021	-	1,221.18	152.65	14.95	7.73	7.16	1.21	1,404.88
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	17.09	-	-	-	-	17.09
	March 31,2021	-	-	17.09	-	-	-	-	17.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	-	-	10.59	5.28	2.22	18.09
	March 31,2021	-	-	-	10.00	5.56	0.09	2.44	18.09
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
Total	March 31,2022	-	1,266.02	335.49	14.87	20.58	5.42	2.48	1,644.86
	March 31,2021	-	1,221.18	169.74	24.95	13.29	7.25	3.65	1,440.06

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand	1.19	0.81
Balances with banks in current accounts*	402.35	317.60
Cheque in hand	105.16	50.74
	508.70	**369.15**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender deposit	14.57	13.61
Total	523.27	382.76

*Includes Unclaimed Dividend of ₹ 0.76 million (Previous year ₹ 0.45 million).

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Loans Receivables considered good - Unsecured	28.20	49.49
	28.20	**49.49**
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	230.03	45.45
Loans Receivables which have significant increase in Credit Risk	3.67	5.19
Loans Receivables - credit impaired	-	-
	233.70	**50.64**
Less: Allowance for doubtful loan	(3.67)	(5.19)
	230.03	**45.45**
Total	258.23	94.94

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Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,30,197 (Previous year 13,57,80,653) Equity Shares of ₹1 each, fully paid up	135.93	135.78
Total	**135.93**	**135.78**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	No. of equity shares	₹ in million
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 33)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93

11.2 Details of shareholders holding more than 5 % equity shares in the Parent company as at the end of the year

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,47,59,132	40.28	5,46,98,423	40.28
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.54	1,56,84,407	11.55
3. Bhikhalal Chimanlal Shah	88,68,689	6.52	88,92,430	6.55
4. Emerald Investments Limited	74,77,132	5.50	74,77,132	5.51

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2022			As at March 31, 2021	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	5,47,59,132	40.28%	0.11%	5,46,98,423	40.28%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%
5. Himanshu Jayantbhai Shah	4,75,801	0.35%	-80.63%	24,57,011	1.81%

11.4 Terms / Rights attached to the equity shares:

The Parent Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

11.5 Share options granted under the Parent Company's employee share option plan:

The Parent Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Buyback of equity shares:

As on January 22, 2020, the Parent Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹ 575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7 Dividend:

The Board of Directors of the Parent Company has declared and paid an interim dividend of ₹ 6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on July 29, 2021.

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Note 12: Other Equity

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	18,736.53	15,503.13
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Securities Premium	106.13	-
Share Application Money Pending Allottment	4.51	-
Share based payment reserve	14.45	39.74
Capital redemption reserve	1.74	1.74
Total	18,947.18	15,628.43

Nature and purpose of reserves :

Retained Earnings : Retained Earnings are the profits that the group has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve : The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve : The Parent Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Capital reserve on Amalgamation of subsidiaries : Capital reserve on amalgamation of subsidiaries is created pursuant to a scheme of amalgamation and shall not be considered to be a reserve created by company.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

Note 13: Borrowings

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Secured Loan from bank	450.00	-
-	450.00	-
Current		
Unsecured loan from Others	0.11	0.10
	0.11	0.10
Total	450.11	0.10

A loan of ₹ 450 million was obtained in Eris Therapeutics Limited (Wholly owned subsidiary) and same is repayable in 16 quarterly instalments starting from June 2023. The loan is secured by Pledge over land and building and hypothecation over Eris Therapeutics Limited's tangible fixed assets and Parent Company has given letter of comfort to bank for credit facilities upto ₹ 1500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Parent Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary. The loan carries interest rate linked to treasury rates. Interest on loan is payable on monthly basis.

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
(a) Lease Liabilities		
Lease liabilities	353.94	44.47
	353.94	44.47
(b) Other financial liabilities		
Trade deposits	34.06	36.19
	34.06	36.19
	388.00	**80.66**
Current		
(a) Lease Liabilities		
Lease liabilities	40.02	23.20
	40.02	23.20
(b) Other financial liabilities		
Trade deposits	0.80	0.80
Book overdraft *	92.59	93.04
Dividend Payable	0.76	0.45
Payable towards purchase of fixed assets	27.97	4.22
	122.12	98.51
	162.14	**121.71**
Total	550.14	202.37

* Mutual funds are marked as lien against OD Limit (Refer note 3).

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Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	65.06	63.66
Gratuity	8.92	7.66
Provision for sales returns (Refer note below)	247.16	241.98
	321.14	**313.30**
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	36.18	36.02
Gratuity	21.10	15.99
Provision for sales returns (Refer note below)	333.29	222.86
	390.57	**274.87**
Total	711.71	588.17

Provision for sales returns :

The Group, as a trade practice, accepts returns from market. Provision is made for such sales return on the basis of historical experience, market conditions and specific contractual terms.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Provision	464.84	394.75
Add : Provision during the year	369.86	251.96
Less : Utilisation during the year	254.25	181.87
Closing Provision	580.45	464.84
Long Term	247.16	241.98
Short Term	333.29	222.86
Total	580.45	464.84

Note 16: Other liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Capital Subsidy Non Current*	22.82	24.92
	22.82	**24.92**
Current		
Statutory liabilities	152.37	132.46
Advances from customers	38.71	28.93
Deferred Capital Subsidy Current*	4.85	7.57
	195.93	**168.96**
Total	218.75	193.88

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under the North East Industrial & Investment Promotion Policy (NEIIPP)

Note 17: Trade payables

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (refer note-34)	71.80	72.75
Due to others	1,105.94	953.41
Total	1,177.74	1,026.16

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2022	-	38.71	33.09	-	-	-	71.80
	March 31,2021	-	19.00	53.75	-	-	-	72.75
(ii) Others	March 31,2022	-	745.31	357.20	0.94	0.04	2.45	1,105.94
	March 31,2021	-	501.73	447.54	1.41	0.03	2.70	953.41
(iii) Disputed dues - MSME	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
Total	March 31,2022	-	784.02	390.29	0.94	0.04	2.45	1,177.74
	March 31,2021	-	520.73	501.29	1.41	0.03	2.70	1,026.16

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Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of products	13,261.68	11,926.44
Other operating income		
Goods And Services Tax refund	206.41	189.76
Others	2.34	2.43
	208.75	**192.19**
Total	**13,470.43**	**12,118.63**

Revenue as per contracted price, net of returns	13,740.80	12,257.11
Less : Provision for sales return	369.86	251.96
Less : Scheme, discount and others	109.26	78.71
Revenue from contracts with customers	13,261.68	11,926.44

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest income	60.98	22.85
Net gain on sale of investments	21.73	28.55
Net gain on investments carried at fair value through profit or loss	144.36	21.22
Deferred Capital Subsidy (Refer note 19.1)	4.83	9.91
Gain on termination of lease	18.68	-
Miscellaneous income	10.36	4.55
Total	**260.94**	**87.08**

19.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP).

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Note 20: Cost of material consumed

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw materials and packing materials		
Opening stock	168.64	300.47
Add: Purchases during the year	1,394.93	862.43
Less: Closing stock	(387.84)	(168.64)
Total	1,175.73	994.26

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the beginning of the year		
Stock-in-trade	494.57	162.79
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	773.15	391.41
Inventories at the end of the year		
Stock-in-trade	528.62	494.57
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	780.91	773.15
Net (increase) / decrease in stocks	(7.76)	(381.74)

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	2,253.93	2,028.30
Contribution to provident and other funds	137.41	139.10
Share based payments to employees (Refer note 33)	13.55	11.20
Staff welfare expenses	117.63	114.44
Total	2,522.52	2,293.04

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Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power and fuel	41.64	39.53
Consumption of stores and spares (Indigenous)	22.88	36.03
Labour and security	27.69	22.73
Testing charges	10.17	5.41
Rent (Refer note 32)	32.45	21.08
Formulation Development Expense	327.38	50.92
Freight and forwarding	194.55	198.38
Commission	197.37	206.16
Advertising, publicity and awareness	87.47	125.05
Repairs and maintenance	55.14	36.67
Selling and distribution	734.51	757.38
Representative Allowance & Incentives	505.14	436.91
Travelling and conveyance	343.72	234.57
Communication	10.19	10.87
Legal and professional	473.64	402.86
Rates and taxes	80.87	57.38
Insurance	15.20	11.46
Payments to auditors (Refer note below)	5.06	5.16
Loss on property plant and equipment sold/written off	42.54	0.18
Corporate social responsibility expenditure	66.39	83.50
Donations	1.39	0.38
Bank charges	0.73	1.73
Royalty Expense	-	-
Provision for doubtful debt / other financial assets	-	65.10
Bad debt written off	0.02	-
Miscellaneous	237.04	327.73
Total	3,513.18	3,137.17

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Statutory Audit fee	3.56	3.57
Reimbursement of expenses	-	0.09
Certification fees and other services	1.50	1.50
Total	5.06	5.16

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest expense	10.30	8.94
Interest on financial liabilities at amortised cost	2.93	1.15
Interest on Lease liability	28.23	7.93
Total	41.46	18.02

Note 25: Earnings per share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net profit after tax for the year (₹ in million)	4,061.13	3,551.35
Weighted average number of equity shares outstanding for basic earning per share	13,58,73,030	13,57,80,653
Add : Dilutive share -Employees stock options outstanding	41,464	1,02,609
Weighted average number of equity shares outstanding for diluted earning per share	13,59,14,494	13,58,83,262
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	29.89	26.16
Diluted earnings per share (in ₹)	29.88	26.14

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Note 26 : Impact of COVID on Business and Financial statements

The Group continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain, and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Group's financial statements for the year ended March 31, 2022.

Note 27 : Arrangement with M. J. Biopharm Private Limited

During the year, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is holding a 70% stake in Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) and remaining 30% is held by M. J. Biopharm Private Limited. The initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved completion.

Note 28: Employee Benefit Plans

A) Defined contribution plans:

The Group makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Group recognized ₹ 86.93 million (Previous Year ₹ 82.62 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of the scheme.

The Group made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Group recognized ₹ 3.90 million (Previous year ₹ 5.62 million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Group rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 20.01 million (Previous Year ₹ 24.79 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The Parent Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Group's financial statements as at March 31, 2022:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**171.59**	**132.59**
Current Service Cost	26.06	21.95
Transfer in/(out) obligation	-	1.61
Past Service Cost	-	-
Interest Cost	7.79	6.17
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(2.17)	0.98
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.93	21.49
Benefits paid	(24.54)	(13.20)
Obligations at the end of the year	**195.66**	**171.59**
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**147.92**	**47.58**
Interest Income	7.11	2.03
Expected returns on plan assets	(0.37)	(0.01)
Employer Contributions	35.52	109.90
Benefits paid	(24.54)	(11.58)
Fair Value of plan assets at the end of the year	**165.64**	**147.92**

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(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**195.66**	**171.59**
Less : Fair value of plan assets	(165.64)	(147.92)
Funded status (deficit)	30.02	23.67
Net liability recognised in the financial statement	**30.02**	**23.67**
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	26.06	21.95
Interest Cost	0.68	4.14
Expense charged to the statement of profit and loss	**26.74**	**26.09**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	0.37	0.01
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(2.17)	0.98
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.93	21.49
Expense charged to other comprehensive income	**15.13**	**22.48**
Assumptions:		
Discount rate	5.65% to 6.85%	5.20% to 6.05%
Estimated rate of return on plan assets	5.65% to 6.85%	5.20% to 6.05%
Annual increase in salary costs	5% to 6%	5% to 6%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	193.37	173.17
Decrease of 0.5% in discount rate	198.06	177.45
Increase of 0.5% in salary escalation rate	197.85	175.48
Decrease of 0.5% in salary escalation rate	193.54	171.60
Expected future Cash outflows towards the plan are as follows :		
Year 1	70.86	64.22
Year 2	43.07	35.45
Year 3	31.96	27.13
Year 4	23.34	19.98
Year 5	16.46	14.39
Year 6 to 10	32.38	28.12

Investment details of plan assets:

Particulars	March 31, 2022	March 31, 2021
	%	%
Insurer managed funds with Life Insurance Corporation of India	95%	94%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	6%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.

2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.

3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.

4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.

5. The expected contribution to be made by Group for gratuity during financial year ending March 31, 2023 is ₹ 17.28 million (previous year ₹ 13.49 million).

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Note 29: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹ in million)

	As at March 31, 2022		As at March 31, 2021	
	Fair Value	**Carrying Value**	**Fair Value**	**Carrying Value**
Financial assets :				
Amortised cost :				
Trade receivables	1,609.68	1,609.68	1,404.88	1,404.88
Cash and cash equivalents	508.70	508.70	369.15	369.15
Other bank balances	14.57	14.57	13.61	13.61
Investment in tax free bonds	5.29	5.29	5.00	5.00
Loans	258.23	258.23	94.94	94.94
Other Financial Asset	719.84	719.84	917.13	917.13
Investment in NSC	0.02	0.02	0.02	0.02
Fair value through profit or loss :				
Investment in mutual funds	5,166.49	5,166.49	2,903.23	2,903.23
Investment in equity instruments	28.62	28.62	28.62	28.62
Investment in tax free bonds	3.50	3.50	3.57	3.57
Total	**8,314.94**	**8,314.94**	**5,740.15**	**5,740.15**
Financial Liabilities :				
Amortised cost :				
Borrowings	450.11	450.11	0.10	0.10
Trade payables	1,177.74	1,177.74	1,026.16	1,026.16
Lease Liabilities	393.96	393.96	67.67	67.67
Other financial liabilities	156.18	156.18	134.70	134.70
Total	**2,177.99**	**2,177.99**	**1,228.63**	**1,228.63**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in million)

As at March 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

(₹ in million)

As at March 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets :				
Mutual funds	2,903.23	-	-	2,903.23
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	**2,906.80**	**-**	**28.62**	**2,935.42**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**2,906.80**	**-**	**28.62**	**2,935.42**

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Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis.

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Group activities are exposed to variety of financial risks. These risks include market risk , credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. Group is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Group invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 5,170.01 million and ₹ 2,906.82 million as at March 31, 2022 and March 31, 2021 respectively.

(b) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 8,314.94 million and ₹ 5,740.15 million as at March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, loand, other financial assets and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

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(c) Liquidity Risk

Liquidity Risk is the risk that the Group will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the group could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Group generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below :

(₹ in million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.11	225.00	225.00
Trade payables	1,177.74	-	-
Lease Liabilities	66.58	135.82	310.53
Other financial liabilities	122.12	-	34.06
	1,366.55	360.82	569.59

(₹ in million)

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.10	-	-
Trade payables	1,026.16	-	-
Lease Liabilities	26.77	30.11	20.25
Other financial liabilities	98.51	-	36.19
	1,151.54	30.11	56.44

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group objective for capital management is to maintain the capital structure which will support the Group strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total loans and borrowings	844.07	67.77
Less : Cash and bank balances	508.70	369.15
Adjusted net debt	**335.37**	**(301.38)**
Total equity	**19,083.11**	**15,764.21**
Adjusted net debt to adjusted equity ratio	**0.02**	**(0.02)**
Debt equity considering only borrowings as debt	**0.04**	**0.00**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022; March 31, 2021.

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Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the entity
1	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director (From August 04, 2020)	Mr. Kaushal Shah
	Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
	Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
	Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
	Independent Director	Mrs. Vijaya Sampath
	Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
	Independent Director	Mr. Prashant Gupta
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar
2	**Close family member of Key Management Personnel**	
	Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
	Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
3	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by relative of Key Managerial Personnel	Tresna Foundation
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

B) Total Transactions with related parties are as follows:

(₹ in million)

Particulars	Key Management Personnel		Close family member of Key		Other Related parties		Total	
(A) Nature of transactions	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Remuneration	119.34	93.72	-	-	-	-	119.34	93.72
Sitting fees	3.23	3.00	-	-	-	-	3.23	3.00
Reimbursement of expense incurred	2.17	1.55					2.17	1.55
Commission	17.50	2.69					17.50	2.69
Stock Options exercised	3.77	-	-	-	-	-	3.77	-
Salary expense	-	-	0.28	0.65	-	-	0.28	0.65
Corporate Social Responsibility	-	-	2.10	-	-	-	2.10	-
Contribution to Post-employment benefit plan	-	-	-	-	16.28	41.88	16.28	41.88

(B)Balances at the end of the year	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021	As at March 31,2022	As at March 31,2021
Trade Payable	16.14	5.40	0.03	-	-	-	16.17	5.40

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Key Management Personnel compensation**		
	Remuneration *	119.34	93.72
	Sitting fees	3.23	3.00
	Reimbursement of expense	2.17	1.55
	Commission	17.50	2.69
	Stock Options exercised	3.77	-
2	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.28	0.65
	Corporate Social Responsibility	2.10	-
3	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.28	41.88

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Key Management Personnel compensation**		
	Trade payable	16.14	5.40
2	**Close family member of Key Management Personnel compensation**		
	Trade payable	0.03	-

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Note 31: Contingent Liability and Capital Commitment :

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	173.52	164.62
Notices regarding Income-tax matters and from sales tax department	2.74	13.68
Others	68.83	17.74

Note: The Parent Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier year. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for Nil (Previous year ₹ 28.92 million).

The Parent Company has given letter of comfort to bank for credit facilities upto ₹ 1,500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Parent Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.
The Parent Company does not expect any outflow of resources in respect of the above.

Note 32: Leases Rent Ind AS 116:
The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹ in million)

Changes [increase/(decrease)]	For Year ended March 31, 2022	For Year ended March 31, 2021
Depreciation and Amortisation	44.03	38.12
Finance costs on lease liability	28.23	7.93
Cash Flow From Lease	(115.66)	(59.44)
Cash Flow From Lease interest	(28.23)	(7.93)

Note 33: Employee Stock Option Plan (ESOP)
A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula
Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method is ₹ 13.55 million (Previous year ₹ 11.20 million).

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Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	2,73,709	451.04	3,21,930	451.04
Granted during the year	-	-	-	-
Vested during the year	59,197	451.04	68,176	451.04
Exercised during the year	1,49,544	451.04	-	-
Lapsed during the year	16,629	451.04	48,221	451.04
Options outstanding at the end of the year	1,07,536	451.04	2,73,709	451.04
Options available for grant	98,107	451.04	49,886	451.04
Options exercisable at the end of the year	53,826	451.04	1,56,977	451.04

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.00
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	-
Granted during the year	2,14,102	557.24
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Options outstanding at the end of the year	2,14,102	557.24
Options available for grant	11,44,528	-
Options exercisable at the end of the year	-	-

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The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	**341.62**

Note 34: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	71.80	72.75
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Note 35: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group chief operating decision maker is the managing director and the group has only one reportable business segment i.e. 'pharmaceuticals'.

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Note 36: Regrouping

Previous year figures have been regrouped wherever necessary, so as to make them comparable with those of the current year.

Note 37 (A): Additional information as required by Paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Details of entities consolidated-

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2022	Proportion of Ownership Interest as on March 31, 2021
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	Subsidiary	India	70.00%	100.00%
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	Subsidiary	India	100.00%	100.00%
Eris Pharmaceuticals Private Limited*	Subsidiary	India	76.00%	76.00%
Eris Healthcare Private Limited	Subsidiary	India	100.00%	100.00%
Eris Therapeutics Limited#	Subsidiary	India	100.00%	NA

*Became subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020

Incorporated on June 23, 2021

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2022)		Share in Profit or (Loss) 2021-22		Share in Other Comprehensive Income (OCI) 2021-22		Share in Total Comprehensive Income (TCI) 2021-22	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.5%	19,185.56	102.8%	4,171.92	102.3%	(10.05)	102.8%	4,161.87
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	0.0%	(3.58)	-0.5%	(19.62)	0.0%	-	-0.5%	(19.62)
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.2%	235.01	2.0%	79.65	-0.5%	0.05	2.0%	79.70
Eris Pharmaceuticals Private Limited	0.0%	0.01	0.0%	(0.04)	0.0%	-	0.0%	(0.04)
Eris Healthcare Private Limited	2.3%	442.17	-2.5%	(100.60)	-1.8%	0.18	-2.5%	(100.42)
Eris Therapeutics Limited	1.3%	250.08	0.0%	-	0.0%	-	0.0%	-
Adjustments arising out of consolidation	-5.4%	(1,027.22)	-1.8%	(73.42)	0.0%	-	-1.8%	(73.42)
Total	**100.0%**	**19,082.03**	**100.0%**	**4,057.89**	**100.0%**	**(9.82)**	**100.0%**	**4,048.07**
Non controlling Interest in subsidiaries		(1.08)		3.24		-		3.24
Total		**19,083.11**		**4,061.13**		**(9.82)**		**4,051.31**

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Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2021)		Share in Profit or (Loss) 2020-21		Share in Other Comprehensive Income (OCI) 2020-21		Share in Total Comprehensive Income (TCI) 2020-21	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	99.9%	15,754.67	98.7%	3,506.05	86.0%	(12.80)	98.8%	3,493.25
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	0.1%	15.26	0.1%	3.34	0.0%	-	0.1%	3.34
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.3%	205.30	2.3%	82.17	14.1%	(2.10)	2.3%	80.07
Eris Pharmaceuticals Private Limited	0.0%	0.05	0.0%	(0.05)	0.0%	-	0.0%	(0.05)
Eris Healthcare Private Limited	3.4%	542.59	-0.7%	(24.27)	-0.1%	0.01	-0.7%	(24.26)
Adjustments arising out of consolidation	-4.8%	(753.65)	-0.4%	(15.89)	0.0%	-	-0.4%	(15.89)
Total	**100.0%**	**15,764.23**	**100.0%**	**3,551.35**	**100.0%**	**(14.89)**	**100.0%**	**3,536.46**
Non controlling Interest in subsidiaries		0.02		-		-		-
Total		**15,764.21**		**3,551.35**		**(14.89)**		**3,536.46**

Note 37 (B) : Other statutory information

i). The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

v). The Group does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). . Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2022. (Refer Note 10)
(b) Investment made by the Company as at March 31, 2022. (Refer Note 3)
(c) No Guarantee has been given by the Company as at March 31, 2022. (Refer note 31)

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Note 38: Items included in Financial Activities (₹ in million)

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	67.67	(143.89)	474.45	(4.27)	393.96
Borrowing	0.10	-	450.00	0.01	450.11

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	121.43	(67.37)	6.67	6.94	67.67
Borrowing	-	-	0.10	-	0.10

Note 39: Change in method of Depreciation and Amortisation

During the year, the Management has reassessed the useful life of brands after taking into consideration prevalent industry practices. Based on the said reassessment, useful life of Brands in Intangible assets has been revised to 20 years from 50 years with effect from April 01, 2021.

During the year, the Management has also reassessed the method of providing depreciation on tangible assets after taking into consideration past experience and expected usage. Based on the said reassessment, method of depreciation has been changed to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment and Right of Use assets with effect from April 01,2021.

The Company has accounted for these changes in estimate of useful life and depreciation method prospectively and consequently, depreciation and amortisation expense for the year ended March 31, 2022 is higher by ₹ 64.41 Millions.

Note 40: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

ERIS LIFESCIENCES LTD.

ANNEXURE 9: ANNUAL REPORTS OF THE COMPANY

Eris

POWER OF EMPATHY
TRUTH OF SCIENCE

15th ANNUAL REPORT 2020–21

FORWARD-LOOKING STATEMENTS

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

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Op. Revenue (INR)	EBITDA (INR)	PAT (INR)
12,119 mn	**4,306 mn**	**3,551 mn**
12.8 % yoy growth	16.9 % yoy growth	19.8 % yoy growth

EPS (INR)	RoIC*	RoE*
26.16	**33.5 %**	**30.7 %**
21.0 % yoy growth	371 bps yoy growth	43 bps yoy growth

** RoIC and RoE are excluding treasury investments, cash & cash equivalents*

IN MEMORIAM

You Live in Our Hearts Forever

The second wave of Covid has hit the nation with devastating consequences. It is difficult to find even a single family which has not been adversely impacted by the pandemic. With profound regret we share with you the loss of 6 Erisians – who were all brave warriors, inspiring colleagues and loving family men.

Hemant Bhalla

Sandeep Tiwari

Jignesh Sarvaiya

Sirajuddin

Dipak Sharma

Somnath Bhattachariya

These Erisians have been sources of inspiration and positive energy for those who have interacted or worked with them. They demonstrated the Eris values of patient centricity, integrity and tenacity on a daily basis through their actions. They have left behind a treasure trove of memories to cherish, honour and remember them by. In this tragic moment of grief, all of us at Eris stand together with their families. The loss caused by their sudden demise is irreplaceable and their memories shall stay with us forever.

We extend our heartfelt condolences to all those who have lost loved ones during this difficult time.

COVID RESPONSE

Keeping our Employees and Stakeholders Safe

Eris has always set high safety benchmarks for its employees. However given the unprecedented scenario that unfolded with the onset of the Covid pandemic in late March 2020, we realised that we needed to go well beyond the usual benchmarks in order to ensure the safety and wellness of our employees and their families, medical professionals, our channel partners and all other stakeholders, while ensuring business continuity.

As the first step, we secured Covid insurance policies for all our employees in order to provide them with a safety net against potential economic consequences; we were among the first in the industry to have taken this initiative. We arranged for authorisation letters and safe travel options for those employees who wished to travel back to their native places during the national lockdown. Even while the nation was in lockdown mode, many of our people needed to venture out in order to ensure the uninterrupted manufacture and supply of essential chronic medications to patients. We ensured that adequate arrangements were made for the safety of these employees, including transportation, PPE kits, masks and sanitisers.

We organised adequate testing facilities for our employees and their family members. In order to ensure the safety of the families of Covid-positive employees, we reserved rooms in selected hotels as quarantine facilities for employees and organized the provision of required medical support in such facilities. We also established tie-ups with reputed doctors to provide teleconsultation facilities for our employees. As our Guwahati facility continued its operations in order to support the nation with a supply of essential medicines, we implemented rigorous protocols with regards to social distancing and a phased return-to-work policy. We conduct periodic Covid tests at our office locations. We have continued with several of our employee-care initiatives post the gradual reopening of the economy starting June 2020. Taking our responsibility of protecting our employees further, we organised vaccination camps for all eligible employees at our offices.

ERIS was among the first companies in the industry to secure Covid insurance policies covering all its employees.

Eris was also among the first companies in the industry to organise vaccination drives for all eligible employees at its offices.

When the nation was experiencing an acute dearth of oxygen, hospital beds and life-saving drugs to battle the infection, Eris did its bit to alleviate the suffering of frontline warriors as well as Erisians and their loved ones; among other medical supplies, we procured and dispatched ~ 300 oxygen concentrators

Caring for the Well-Being of Healthcare Professionals

During Apr-Jun 2020, we enlisted the support of CFAs and field employees to ensure the safety and wellness of healthcare professionals who are our true Covid warriors. We distributed Personal Protective Equipment (PPE) and covid care kits for healthcare professionals across the length and breadth of the country. We went the extra mile to import PPEs for doctors in the initial days of the pandemic, since adequate supply was not available from Indian sources.

In times of minimal available information regarding the medical management of Covid, Eris organized numerous webinars on a massive scale wherein KOLs across the country educated physicians on the novel coronavirus and shared knowledge about its treatment. These webinars played an important role in shaping the treatment protocols as they exist today.

PATIENT CARE INITIATIVES

Empowering Patients to Take Charge of Their Lives

Over the years, urbanization and digitisation have brought us tremendous benefits. They have also created their own challenges in terms of higher stress, poor quality sleep, gadget addiction, and blurring of boundaries between work and non-work hours. While the impact of these changes may not be evident in the short term, they inevitably take their toll on our physical and mental well-being in the long term.

We at Eris are very passionate about our Patient Care Initiatives (PCI) platform, which enables us to bring cutting-edge healthcare solutions to patients through the involvement and cooperation of Key Opinion Leaders in our specialty businesses. Our initiatives are focused on bringing state-of-the-art diagnostic facilities and subsequent treatment options to our patients. What began as a small initiative has turned into a mammoth programme over the years whereby we have helped tens of thousands of patients towards healthier lives through initiatives such as the ABPM, HBPM, CGM, Sleep Studies, and Holter on Call.

Even during the pandemic year that was, we took our Patient Care programme to newer highs in terms of screening tens of thousands of patients with the involvement of thousands of medical practitioners during the year. After a brief hiatus in Apr-May 2020, our field staff conducted over 540 ABPMs and ~450 Holter tests in June 2020, overcoming their own fears and keeping patient needs at the forefront.

Sleep Study On Call Number of Patients Screened **13,300**	HOLTER ON CALL An Eris Initiative for 24 hr Rhythm Monitoring Number of Patients Screened **44,555**	ABPM on Call Number of Patients Screened **88,700**	Tendia CGM ON CALL Number of Patients Screened **12,497**
Save Kidney... ...Save Heart Number of Patients Screened **> 2,50,000**	MOBILITY Clinic Number of Patients Screened **1,05,381**	INDIA WALKS Number of Patients Screened **43,781**	
Mentand anc associate FOGSI Number of Patients Screened **1,86,169**	Tendia GUARDIAN CONNECT Number of Patients Screened **1,530**	LNBLOC Hypertension Associate Number of Patients Screened **> 1,20,000**	Tendia FUNDUS SCAN Number of Patients Screened **22,763**

THE YEAR OF DIGITAL

Spearheading the Digital Dissemination of Scientific Knowledge

As a prominent stakeholder in the enhancement of scientific knowledge, Eris conducted ~2,500 digital interactions (webinars) in FY21 covering over 33,000 medical practitioners. We made a seamless transition to deliver these knowledge interactions through digital media in the pandemic times. While one set of meetings provided a forum for the deliberation of scientific evidence and disease management options among Key Opinion Leaders, another set of meetings were organised in the form of mentorship programs wherein Key Opinion Leaders disseminate the latest medical and scientific knowledge throughout the medical fraternity.

In FY21, bulk of our discussions continued to be focused around our core cardio-metabolic franchise. We also organised discussions around the impact of Covid on heart health and metabolic disease, Epilepsy Management, Iron Deficiency, Gastroenterology and overall Immunity Development.

We have always invested ahead of the curve in building digital capabilities at Eris – be it for our in-clinic product detailing which is executed via iPads, our e-Aagman program for new employees or cloud-computing of the data collected during the course of the India Heart Study and India Diabetes Study. As pandemic related disruptions started impacting in-clinic interactions with physicians, our interactions seamlessly moved to a digital platform. While the scientific importance of the ~2,500 interactions remains paramount, we take immense pride in having been able to conduct them seamlessly on digital platforms, adapting quickly to the demands of the situation.

TOPICS OF DISCUSSION	# DIGITAL MEETINGS	# ATTENDEES
Dapagliflozin and Diabetes Care	676	7,064
Dapagliflozin and Heart Failure	115	9,344
Vildagliptin and Glycemic Variability	255	3,084
Immuno-Metabolism- the new paradigm in metabolic practice	157	1,297
Brivaracetam and Epilepsy management	48	695
Unmet needs in Iron Deficiency (Anaemia)	320	2,499
The Big Clinical Challenge – Building Immunity	102	1,937
Covid 19 and Gastroenterology	225	2,200

INDIA DIABETES STUDY

INDIA DIABETES STUDY

The First of its Kind Study for Newly Detected Indian Diabetics

OBJECTIVE

Assessment of Phenotypic Characteristics and Cardiovascular Risk in Newly Diagnosed Type 2 Diabetic Patients in India.

Started on
July 2020

>2500
Investigators

SAMPLE SIZE
14,000+

>15000
Patients Enrolled

25 States
>400 Cities

IDS is one of the largest ongoing studies for newly diagnosed Indian diabetic patients. The study will help the medical fraternity to develop a treatment regimen suited for Indian diabetic patients. IDS would help in customization of treatment protocols and thereby improve health outcomes in the long term.

CMD's LETTER
to Shareholders

Dear Shareholders,

One more year has gone by, and I am glad for the opportunity to write to you again. It continues to be a matter of great concern that the world, and India in particular, continues to experience the devastating effects of the Covid pandemic, which has destroyed lives and livelihoods. At Eris, this period has made us a lot more conscious of our role as enablers of better healthcare for the country. Accordingly, we have taken numerous measures to ensure the safety and wellness of all our stakeholders, including our employees, medical professionals, channel partners and society at large.

FY21 has been a game changer for us during which we have registered robust improvement across all business and financial metrics. In my last letter to you, I had shared that we have reorganised our business around our core therapy franchises. I had also spoken about our 4 fundamental business pillars that have kept us resilient through difficult times – leadership brands in chronic super-specialty, a strong cashflow generating business model, a debt-free balance sheet, and our consistent focus on operational excellence. I am glad to report that we were able to harness the power of these pillars to successfully navigate what has been one of the most challenging environments ever.

During the year, we have invested in strengthening our executive management team and our corporate governance. We now have an

8-member Board with 4 Executive and 4 Independent Directors. We inducted two Independent Directors - Ms Kalpana Unadkat and Mr Rajeev Dalal – during the year. Mr Krishnakumar V joined our executive team and Board as Chief Operating Officer and Executive Director.

The Indian Pharma market (ex. Covid products) grew at a meagre 1.3% during FY21, driven by a significant degrowth in acute therapies. However this did not impact us significantly as a bulk of our revenues come from chronic and sub-chronic therapies, and we ended the year among the fastest growing companies in the domestic market. Our strategic focus remains on brand building backed by scientific evidence and patient care. That our Top-15 mother brands account for nearly 80% of our sales bears testimony to our business approach. As part of our continuous effort to fortify our chronic and sub-chronic portfolios, we had 3 significant new product launches this year. Gluxit, our Dapagliflozin brand was launched in Oct 2020 and remains the #1 brand in the segment since launch. We also launched Zac D, a fast-growing product in the nutraceutical segment.

The business continued to generate strong cash flows despite the numerous disruptions caused by the pandemic. We enhanced our focus on operational excellence which enabled us to reduce our working capital requirements in the midst of challenging times. I need to make a special mention of our field-force, which has put up an inspired and resilient performance in the face of extremely difficult circumstances; our field-force productivity improved by 15% during the year. Our manufacturing and distribution teams have done a commendable job in ensuring business continuity during this period.

We have an exciting period of organic growth coming up in the next 3-4 years, driven by multiple factors. Firstly, we have a rich pipeline of new product launches, driven by upcoming patent expirations in the cardio metabolic and allied segments. Secondly, we will significantly expand our coverage of specialists and consulting physicians. Thirdly, we continue to push for early detection and better lifecycle management through our patient care initiatives. We are making investments in technology in order to further improve our sales productivity. We continue to look for high-return in-licensing and acquisition opportunities, in order to complement our organic growth initiatives.

We also remain committed to our capital allocation framework. This framework is focussed on increasing shareholder value through investing for the future. This year we distributed 21.0% of our Net Profit to shareholders. Going forward, we will endeavour to share a minimum 20% of our Net Profit with shareholders on a yearly basis.

I would like to reiterate my gratitude to all our stakeholders for having supported us in our journey. I look forward to all of you being part of the exciting journey ahead. I hope and pray that all of you and your loved ones remain safe and healthy.

With warm regards,

Amit Bakshi
Chairman and Managing Director

FROM THE COO's DESK

Dear Shareholders,

I am happy to write my first letter to you as the Chief Operating Officer and an Executive Director of Eris. I have been associated with Eris as a consultant since its formative years. Back then, Eris was a young company trying to make its mark in an extremely competitive and pro-incumbent industry, by taking the road less travelled. While most new entrants elect to start off with regional business models in acute therapies pivoted around local general physicians, Eris chose to build a pan-India cardio-metabolic business pivoted around super-specialists. The team's experience enabled them to execute successfully along this strategy, and secure the distinction of Eris being the youngest company in the IPM Top-25.

Eris is now ranked 22nd in the domestic pharmaceutical industry and is the only publicly listed Indian pharmaceutical company with a pure-play domestic branded formulations business model. Revenues have grown 6x in the last 10 years (since FY11) and 2x in the last 5 years (since FY16). Net profits have grown ~ 17x in the last 10 years and 2.6x in the last 5 years. The company has maintained an ROIC in excess of ~ 30% over the last 12 years. Fourteen years into the business, the company retains its fundamental strengths in terms of a chronic-focused portfolio (91% of sales) with low (7%) NLEM exposure, high mind-share and prescription ranks with super-specialists (#3 among Diabetologists and #4 among Cardiologists), strong cash generation (free cashflow of 81% of FY21 EBIDTA) and a debt-free balance sheet. Eris has a pan-India, fully-integrated operation with 74% of the products sold having been manufactured at our Guwahati facility.

Our relentless focus on building strong and sustainable brands gave us significant tailwinds during the pandemic period, when MR-Doctor interactions and Doctor-Patient interactions were severely constrained. Prescriber preference gravitated towards established brands during this period; this augured well for us with 10 of our Top 15 mother brands being ranked among the Top-5 in their respective categories. Our market standing in Diabetes positions us well to take the lead in the management of post-Covid early-onset Diabetes (unmasking of Diabetes); Zomelis and Gluxit are highly strategic products for us in this regard.

After a gap of several years during which we faced several headwinds including GST implementation, tightening of FDC regulations, channel inventory reduction and demonetisation, FY21 was a game changer for us with successful product launches in nearly all of our core therapies. This has kick-started the next leg of secular growth which, we expect, will continue well into the future. We have an exciting pipeline of patent expirations coming up in the cardio-metabolic space over the next 3-4 years. We expect our strong incumbent positions in these therapies to drive meaningful market shares for us in our new launches. We are seeing early evidence of this in the success of our Gluxit (Dapagliflozin) brand launched in Oct 2020. As of March 2021, our brand ranks #1 among 30+ generic brands, with a monthly sales run rate of Rs 2.50 crore and an exit market share of 5.5% by value in the molecule (13.8% among generics). *(Source: AIOCD AWACS)*

We continue to create value from our acquisitions. Zomelis, a Vildagliptin brand we acquired in Nov 2019 has registered more than a 4x growth in monthly sales run-rate since acquisition and continues to rank #1 among the 80+ generic versions of Vildagliptin, with a market share of 4.5% in the molecule (11% among Gx). Renerve, our flagship nutraceutical brand acquired from Strides in Nov 2017 has grown from INR 77 crore (Nov 2017) to INR 134 crore (Mar 2021), a CAGR of ~ 18% since acquisition, after absorbing a 7% reduction on account of GST implementation. *(Source: AIOCD AWACS)*

We are expanding our footprint in medical devices through our Circa range, presently comprising of blood pressure monitors, IR thermometers and India's first blood glucose monitors with patented gold cartridge technologies. Our Trade Generics business continues to scale up in line with our expectations.

My role is to prepare Eris for the next leg of growth by strengthening our organisational foundation and business operations. To this end, we are working on a number of organisational development initiatives, including strengthening our senior/ middle management cadre, adoption of best-in-class performance management systems and introduction of ESOPs for key management personnel. We are strengthening our processes for long-term strategic planning, annual business planning, business performance reviews, financial management and risk management. We are making significant investments in technology for a seamless transition to the Work-from-Anywhere era. We have just finished implementing an analytics-based software package that lays the foundation for our journey in operational excellence. We have initiated the implementation of DarwinBox, a best-in-class HR Management System that improves employee engagement and productivity. You will hear from me periodically on the progress of these initiatives.

I am excited about this opportunity to work with the Eris team to drive the next era of growth. I look forward to the support and guidance of our Board and my colleagues as I move forward in this endeavour.

With best regards,

Krishnakumar V.
Executive Director &
Chief Operating Officer

FROM THE CFO's DESK

Dear Shareholders,

Greetings! It is my privilege to share the highlights of a successful year gone by. At a consolidated level in FY21, we delivered a revenue growth of 12.8%, operating margin growth of 16.9% and net profit growth of 19.8%. At a standalone level, we delivered a revenue growth of 8.7%, operating margin growth of 17.4% and net profit growth of 20.4%.

As per AIOCD, our cardio metabolic segment (59% of our revenue), grew 9.7% in FY21, marginally outperforming its covered market which grew by 9.4%. Our Vitamins, Minerals and Nutrients segment (20% of our revenue) grew by 14.8% in comparison with the covered market which grew by 8.6%. Our Top-15 mother brands, which contribute nearly 80% of our revenue grew by 8.9% during the year. 7 out of these 15 brands outperformed their covered markets and gained market shares.

Our new product launches acquired strong momentum in FY21. As may be expected, these new products, until they ramp up to a reasonable scale, bring with them an increased cost of goods sold. Owing to the higher incidence of new products in our revenue mix, our consolidated gross margin decreased from 84.0% in FY20 to 80.3% in FY21. The standalone gross margin decreased from 83.9% in FY20 to 82.1% in FY21. We expect the gross margins of new products to ramp up starting next quarter as the products scale up and we start realising volume benefits in procurement and manufacturing.

Our employee cost as a ratio of operating revenues remained in line with the previous year

as we continue to reap benefits of people investments made in earlier years. We realised substantial productivity gains in our standalone operations (branded formulations business) as the YPM (Yield per Man per Month) for FY21 increased by ~ 15% to INR 4.5 lakh per month, up from INR 3.9 lakh per month in FY20.

Standalone other expenses as a percentage of revenue witnessed a reduction of 445 bps during the year on account of higher field-force productivity and the shift of promotional activities to digital platforms. We also witnessed a reduction in our consolidated other expenses (as a percentage of revenue).

As a result of the said factors, the standalone EBIDTA margin increased to 37.6% in FY21 from 34.9% in FY20 and the consolidated EBIDTA margin increased to 35.5% in FY21 from 34.3% in FY20. We continue to remain among the highest cash-flow generating businesses in our industry. Operating cashflow (OCF) to EBITDA ratio in FY21 stood at 87%, and Free Cashflow (FCF) to EBIDTA ratio stood at 81%. We continue to remain a debt-free company.

Our effective tax rate declined slightly to 10.0% in FY21 from 10.5% in FY20 as we continue to enjoy tax exemption at our Guwahati manufacturing facility which catered to 74% of our standalone revenue. Consolidated Profit after Tax for the year at INR 3,551.4 mn saw a 19.8% yoy growth and standalone Profit after Tax for the year at INR 3,506.1 mn saw a 20.4% growth.

On the balance sheet side, I am pleased to share that we managed to tighten our working capital management despite all the pandemic-related headwinds. Our core working capital (inventory, debtors and payables) in the standalone business decreased to 30 days of operating revenue in FY 21 from 42 days of operating revenue in FY 20. We reduced our Debtor turnover days in the standalone operations from 50 days of operating revenue in FY20 down to 37 days of operating revenue in FY21, beating our guidance. We continue to make efforts to optimise our working capital requirements as we move forward.

Optimal use of invested capital and expansion of operating margins meant that we continued to earn high returns for our shareholders. Return on Invested Capital (ROIC) in the standalone operations went up to 41.2% in FY21 from 37.4% in FY20. The consolidated ROIC increased to 33.5% in FY21 from 29.8% in FY20. Consolidated Return on Equity (ex-cash) increased to 30.7% in FY21 from 30.3% in FY20.

In line with our capital allocation policy, we distributed INR 5.5 as dividend per share, corresponding to a pay-out ratio of 21% of Consolidated Profit after Tax for FY 21. We will endeavour to maintain a minimum 20% pay-out ratio in the future too.

FY21 has been a game changer for the company in terms of getting us on to the next leg of growth and we expect to maintain this momentum going forward. We look forward to executing along our five-pronged growth strategy of organic consolidation, new product launches, wider doctor reach, improved sales productivity and pursuit of inorganic opportunities. The execution of this strategy will be complemented by stronger systems for financial/risk management and global standards of operational excellence. We expect these factors to result in a strong growth trajectory with high returns and continued robust cashflows.

It has been my pleasure to have been part of this journey so far. I look forward to an exciting future ahead that promises to be a rewarding one for all our stakeholders.

With warm regards,

Sachin Shah
Chief Financial Officer

ERIS AT A GLANCE

Who we are

Rank Progression

Source: AIOCD MAT Mar'21

Revenues up 2x and PAT up 2.6x in last 5 years

Revenues up 6x and PAT up 17x in last 10 years

Source: Consolidated Financial Statements
All figures in INR mn

Eris Lifesciences Ltd is the only publicly listed Indian pharmaceutical company with a pure-play domestic branded formulations business model. Established in 2007, Eris is by far the youngest company in the IPM Top-25.

Our business ethos is based on two pillars – harnessing the power of cutting-edge science to bring evidence-based therapies to the market, and enabling patients to take charge of their diagnoses and their lives through our patient care initiatives. Since inception, we have been focused on chronic and sub chronic lifestyle related therapies. We are a fully-integrated pan-India business with a strong focus on high-end super-specialist doctors and consulting physicians.

We continue to pioneer the generation of actionable medical evidence through initiatives such as the India Heart Study (IHS) and India Diabetes Study (IDS); these studies are helping create bodies of knowledge hitherto unknown and are paving the way for better management of health and treatment outcomes. IHS, the only study of its kind on hypertension based on the Indian population has been jointly accepted by the European Society of Hypertension and the International Society of Hypertension.

We made a seamless transition to the digital era in FY21, with the conduction of ~2,500 digital interactions (webinars) in FY21 covering over 33,000 medical practitioners, across a range of topics including diabetes, heart failure, Covid impact on cardio-metabolic health, general immunity and epilepsy.

We are very passionate about our unique Patient Care Initiatives (PCI) platform, which enables us to bring cutting-edge healthcare solutions to patients through the involvement and cooperation of Key Opinion Leaders in our specialty businesses. Our initiatives are focused on bringing state-of-the-art diagnostic facilities and subsequent treatment options to patients. What started as a small initiative has turned into a mammoth programme over the years whereby we have helped tens of thousands of patients towards healthier lives through initiatives such as the ABPM, HBPM, CGM, Sleep Studies, and Holter on Call.

We have a fully integrated business model with our WHO GMP compliant manufacturing facility in Guwahati catering to 74% of our revenue. Our pan-India distribution network of over 2,100 stockists and 5,00,000+ chemists gives us a seamless presence across the nation. Over 4000 employees work out of our corporate offices in Ahmedabad and Mumbai, the field and our Guwahati facility.

Revenues have grown 6x in the last 10 years (since FY11) and 2x in the last 5 years (since FY16). Net profits have grown ~ 17x in the last 10 years and 2.6x in the last 5 years. The company has maintained an ROIC in excess of ~ 30% over the last 12 years. Fourteen years into the business, the company retains its fundamental strengths in terms of a chronic-focused portfolio (91% of sales) with low (7%) NLEM exposure, high mind-share and prescription ranks with super-specialists (#3 among Diabetologists and #4 among Cardiologists), strong cash generation (free cashflow of 81% of FY21 EBIDTA) and a debt-free balance sheet.

FY21 has been a game changer for the company in terms of getting us on to the next leg of growth. We look forward to exciting years ahead where we would be able to create value for all our stakeholders and society at large.

10 YEAR FINANCIAL HIGHLIGHTS

CONSOLIDATED	Ind AS					Ind GAAP				
INR mn	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Operating Results										
Operating Revenue	12,119	10,741	9,822	8,556	7,495	5,970	5,456	5,088	3,931	2,739
Operating EBIDTA	4,306	3,684	3,449	3,220	2,691	1,715	1,215	989	859	585
Operating EBIDTA Margin	36%	34%	35%	38%	36%	29%	22%	19%	22%	21%
Net Profit	3,551	2,965	2,911	2,950	2,466	1,349	893	705	584	371
Net Profit Margin	29%	28%	30%	34%	33%	23%	16%	14%	15%	14%
Cash Flow Generation										
Operating Cash Flow (OCF)	3,754	2,712	2,230	2,346	2,002	1,315	901	896	380	301
OCF as a % of EBITDA	87%	74%	65%	73%	74%	77%	74%	91%	44%	51%
Assets Employed										
Tangible Assets	779	873	553	526	557	707	675	711	235	198
Intangible Assets	7,776	7,919	7,072	7,185	1,760	7	42	39	34	34
Core Working Capital	1,323	1,263	825	413	662	484	446	298	378	189
Treasury Investments	4,166	1,453	3,634	3,760	3,057	1,997	1,722	913	514	228
Total	**14,044**	**11,508**	**12,084**	**11,884**	**6,035**	**3,195**	**2,885**	**1,960**	**1,161**	**649**
Financed By										
Equity	15,764	12,963	11,505	8,613	5,671	2,992	2,657	1,765	1,061	479
Debt	45	61	1,764	3,768	6	5	10	5	26	50
Return on Invested Capital (RoIC)	**34%**	**30%**	**39%**	**66%**	**127%**	**150%**	**113%**	**124%**	**175%**	**206%**
Return on Equity (RoE)	**31%**	**30%**	**44%**	**74%**	**126%**	**132%**	**95%**	**94%**	**129%**	**150%**

RoIC = Operating EBIT/Average Invested Capital (Ex-cash) | **RoE =** Net Profit attributable to owners/Average Net worth (Ex-cash) | **Net worth (Ex-cash) =** Net worth – (Treasury Investments + Cash and cash equivalents + other bank balances) | **Invested Capital (Ex-cash) =** Net worth (ex-cash) + Short-term Borrowings + Current maturities of long-term borrowings | **Tangible assets** include Right of use assets | **Intangible assets** include Intangible assets under development and goodwill

OUR BUSINESS

Eris derives all of its standalone revenue from the domestic branded formulations market. Chronic and sub-chronic therapies make up 91% of our business (vs. 55% for the IPM).

Source: AIOCD MAT Mar 21

OUR TOP MOTHER BRANDS

We have a focused portfolio with
Our Top 15 Mother Brands
making up nearly 80% of our revenue.

Source: AIOCD MAT Mar 21

Zomelis

Market Leader with a 4.4x Growth in Monthly Sales Run-Rate since Acquisition

Zomelis has consistently ranked #1 among the 80+ generics brands of Vildagliptin; Rank #3 including innovator brands

Zomelis monthly sales run-rate

Zomelis market share (%)

Dec 2019 Mar 2021

Sales volume in mn tablets, Sales value in INR Crore, Market share by value

Source: AIOCD MAT Mar 21

OUR PRESCRIPTION RANKINGS

Continued High Prescription Ranks Among Super-Specialists

4TH RANK
CARDIOLOGISTS

3RD RANK
DIABETOLOGISTS

3RD RANK
GASTROENTEROLOGISTS

3RD RANK
NEUROLOGISTS

6TH RANK
CONSULTING PHYSICIANS

Source: SMSRC MAT Feb 2021 | Prescription Rank in Represented Market

OUR STRATEGIC BUSINESS UNITS

We have Focused Our Business Operations Around 11 Divisions Organised into 4 Clusters/ Strategic Business Units

Eris
Phoenix A Division of Eris
ASPIRE A Division of Eris

Cluster 1
Cardio Metabolic

Inspira A division of ERIS
ADURA A Division of ERIS
Victus A Division of ERIS

Cluster 2
Cardio Metabolic

Eterna
Altiza A division of ERIS

Cluster 3
CNS

Filix A Division of ERIS
Nikkos A Division of ERIS
Montana A Division of ERIS

Cluster 4
Wellness

OUR THERAPY AREAS

Oral Diabetes Care

Oral Diabetes Care is our largest therapy area, contributing INR 4,701 mn or 32% of our business. Over FY 11 to FY 21, our Oral Diabetes Care franchise has grown 1.5x faster than the market at a CAGR of 31%.

With a long-standing and established presence in Oral Diabetes Care, Eris continues to fortify its high ranking in terms of revenue rank of #5^ and prescription rank of #3 among Diabetologists. *(Source: SMSRC MAT Feb'21)*
^Rank in the represented market

In FY 21, while the Oral Diabetes Care market grew at 6%, Eris outgrew it with a strong yoy growth rate of 16%.

This year, we fortified our portfolio with Gluxit, our Dapagliflozin brand in the strategically important SGLT 2 segment. Launched in October'20, Gluxit ranks No.1 among the 30+ generic brands of Dapagliflozin and enjoys a market share of 5.5% by value (overall molecule) and 13.8% (among Generic versions) as of March '21. *(Source: AIOCD AWACS Pharmatrac)*. We expect Gluxit to continue with its successful performance in FY22 as well.

Of our top mother brands in the segment – Glimisave, Tendia, Cyblex and Zomelis – Zomelis has scaled up its monthly run-rate by nearly 4.5x since acquisition, and has maintained its position as the #1 Vildagliptin brand among the generic versions (Rank #3 including innovator brands). Zomelis had an overall market share of 4.8% (and 10.9% among Generic versions) as of March 2021 *(Source: AIOCD AWACS Pharmatrac)*. Our flagship Glimisave franchise has maintained its rank in terms of revenue.

1.5x times faster growth than market

CAGR over FY11 - FY21

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

FY 21 Revenue = INR 4,701mn

FY21 YoY growth rate

Source: AIOCD MAT Mar '21

GlimiSave | Tendia | Zomelis | Gluxit | Cyblex

OUR THERAPY AREAS

Cardiac Care

Cardiac Care is our second largest therapy area, contributing INR 3,885 mn or 26% of our business. Over FY 11 to FY 21, our Cardiac Care franchise has grown 1.4x faster than the market at a CAGR of 22%.

Eris is ranked #4 in terms of prescription rank among Cardiologists and #11^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, Olmin, LNBloc, Crevast and Atorsave – in the Cardiac Space. In FY21, Eritel and LNBloc continued to maintain ranks in their respective segments. We also made a debut in the fast-growing anti-thrombotics segment through the launch of Rivalto, our Rivaroxaban offering. In FY 21, Eris underperformed the Cardiac Care market by growing at 3%. *(Source: SMSRC MAT Feb'21 and AIOCD AWACS Pharmatrac)*

^Rank in the represented market

1.4x times faster growth than market

CAGR over FY11 - FY21

Source: AIOCD MAT Mar '21

*data not adjusted for stockist panel changes during the 10 year period

FY 21 Revenue = INR 3,885mn

FY21 YoY growth rate

Source: AIOCD MAT Mar '21

Eritel | Olmin | LNBLOC | Crevast | Rivalto

OUR THERAPY AREAS

Vitamins, Minerals & Nutrients (VMN)

Vitamins, Minerals and Nutrients (VMN) comprises our 3rd largest therapy area contributing to INR 2,972 mn or 20% of our business. Over FY 11 to FY 21, our VMN franchise has grown 1.1x faster than the market at a CAGR of 19%.

In FY 21, while the VMN market grew at 8%, Eris' VMN growth at 15% was nearly twice the market rate. Along with strong growth in our lead offerings such as Renerve and Tayo, we fortified our portfolio with the launch of ZACD, an immunity-enhancing formulation. ZACD combines the power of Zinc as well as Vitamins A, C and D into a convenient single tablet, and is yet another testimony of our ability to identify and capitalise on product gaps in hyper-competitive markets. We expect ZACD to add to the performance of the VMN segment with full year's revenue coming in starting FY22.

1.1x times faster growth than market

CAGR over FY11 – FY21

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

FY 21 Revenue = INR 2,972mn

FY21 YoY growth rate

Source: AIOCD MAT Mar '21

ReNerve | Tayo | ZAC-D | Remylin | GINKOCER

OUR THERAPY AREAS

Central Nervous System (CNS)

Our 4th largest therapy area, CNS contributed INR 974 mn or 7% of our business.

In FY 21, Eris's CNS segment de-grew by 4% yoy while the CNS market grew by 5%.

We added Bricet to the portfolio this year. Bricet is a formulation of latest generation molecule Brivaracetam indicated for the treatment of Epilepsy. Of the top 4 Mother Brands – Serlift, Desval ER, Sonaxa and Levroxa – while Serlift, and Desval ER maintained their ranks in their respective segments, Levroxa outperformed its market and marginally gained market share in its category.

FY 21 Revenue = INR 974mn

Serlift | DESVAL ER | SonaXa | Levroxa | Bricet

OUR THERAPY AREAS

Gastro Intestinal

The largest therapy area in our acute franchise, GI contributed to INR 889 mn or 6% of our business. Over FY 11 to FY 21, our GI franchise has grown 1.2x faster than the market at a CAGR of 17%.

In FY 21, while the GI market grew at 5%, Eris outgrew it marginally with a yoy growth rate of 6%.

Of the top 3 Mother Brands – Rabonik, Velgut and Stugil – Rabonik and Velgut delivered robust growth in their respective categories as well as climbed 2 ranks higher. Stugil continued to maintain its position in the market.

1.2x times faster growth than market

CAGR over FY11 - FY21

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

FY 21 Revenue = INR 889mn

FY21 YoY growth rate

Source: AIOCD MAT Mar '21

Rabonik | Stugil | Velgut

OUR THERAPY AREAS

Gynaecology

Our gynaecology segment contributed INR 519 mn or 4% of our business. Over the last decade, Eris has outperformed the gynaecology market by 4.1x by growing at a CAGR of 49%.

In FY 21, Eris's gynaecology segment de-grew by 11%, underperforming the market which de-grew by 1%.

Of the Top 3 Mother Brands – Raricap, Metital and Rariset – Rariset delivered robust growth albeit at a low base, while Raricap and Metital witnessed subdued performance. Launched in the previous year, Redrim grew strongly on a low base.

4.1x times faster growth than market

CAGR over FY11 - FY21

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

FY 21 Revenue = INR 519mn

FY21 YoY growth rate

Source: AIOCD MAT Mar '21

Raricap | Metital | RARISET

CIRCA – WORLD-CLASS MEDICAL DEVICES

Bringing Globally Validated Medical Devices to India

Through our in-licensing partnership with Microlife, we have brought a range of world-class medical devices to India. This includes the Circa range of blood pressure monitors, blood glucose monitors and infra-red thermometers.

Circa 120/80 range of products are the world's most validated blood pressure monitoring devices. Along with being clinically validated for medical conditions like diabetes, kidney disorder, old age and pregnancy, the devices also screen patients for abnormal heart rhythms.

Circa Validio is India's first blood glucose monitor with a patented gold cartridge system. The cartridges in the monitors use 3 patented technologies to ensure near-laboratory accuracy in readings.

Circa 98 FX are world class IR thermometers that are clinically validated in Europe and are USFDA approved. Unlike regular thermometers available in the market, CIRCA 98 FX has a blue tracking light that ensures the distance from the patient and ensures that accurate temperature is recorded every single time.

CIRCA 120/80

BPM

PRACTO

PREMIER

EXCLUSIO

CIRCA VALIDIO

BGM

CIRCA 98 FX

IR Thermometer

OUR IT PLATFORM

Our IT infrastructure provides the backbone for the operation of all our critical functions – Procurement, Forecasting, Production Planning, Manufacturing, Sales, Marketing and Field Force Management.

Deployment of best-in-class technological solutions has enabled us to ensure efficiency in operations, optimise inventory levels, streamline the supply chain, and digitise our field force operations. Technology partners like Microsoft, Accenture, Watch Guard, QNAP, VMWare, Dell, EMC and Hewlett Packard help us stay in the forefront of technological advancements and digital work-enablement.

During the year, we augmented our IT infrastructure capabilities by undertaking two new projects.

Business Intelligence Analytics
Driven by proprietary technology of Accenture, which creates an insightful decision support system for senior management to make strategic and operational business decisions

Darwin Box
A comprehensive and intuitive cloud-based human resource management system, with a proven track record of enhancing employee engagement and productivity

- **Business Intelligence Analytics –** Driven by proprietary technology of Accenture, targeted at building a strong decision support system for senior and middle management. The first objective of the project is to leverage the vast repository of business data being collected every day, transform it into visual dashboards and help us generate actionable insights to enable better decision making. As the software goes through its learning process, we will start harnessing the power of predictive analytics in order to be able to model the outcomes of various potential actions. We expect this tool to enable better strategic and operational decision making across the entire range of functions spanning our business. In the first leg of this project, we have implemented dashboards featuring more than 500 KPIs across all important functional areas of the organization.

- **Darwin Box –** An end-to-end and intuitive human resource management system hosted on the cloud, which has the potential to unify the entire employee lifecycle on to a single platform. The platform enables improved employee engagement and collaboration and aids management decision making with potent analytics. This results in improved efficiency and productivity of field and remote-working personnel. The system has several features including recruitment and on-boarding management, timesheet management, and performance and compensation management along with the facility to manage other routine HR functions. The platforms also enables employees to seek 360 degree feedback, resulting in improved performance.

We have successfully deployed an On-premise Disaster Recovery solution which ensures the minimization of data loss and business disruption resulting from catastrophic events.

Our IT platform was instrumental in achieving a seamless transition to work-from-home environment with minimal disruption to operations. We are committed to increase our investments in technology in the years to come, to continue making our business operations more efficient, effective and resilient.

OUR PEOPLE

Treasuring Talent and Becoming the Employer of Choice

We at Eris are a large family of passionate, empowered, high-energy and result-oriented individuals. We take pride in what we have accomplished in just little over a decade, and that we continue to rank among the fastest growing companies in the industry. However more than anything else, we are driven by our shared vision of improving health outcomes through our patient centric approach.

None of this would have been possible without the talent at Eris that has fuelled its meteoric rise. We have a work environment that is fun, exciting and challenging, with the ultimate objective of nurturing and enabling our people realise their true potential. Our culture reflects our core values of patient centricity, active listening, tenacity, empowerment and integrity; these have been the core catalysts in our transformational journey since inception.

Talent management at Eris is about attracting the best talent, and grooming it for sustained success in all walks of life through professional development and opportunities for job enrichment. Towards this, the Human Resources function goes beyond the business-partner role and assumes the role of a business-enabler. From our policies to practices, our human resources management reflects a mix of the contemporary and the futuristic, thereby striving to keep Eris ahead of the curve. Our employee engagement initiatives ensure that our workplace is as vibrant as our diverse backgrounds. We celebrate each day as we strive to perfect our work-life balance. Eris firmly believes that human capital is its most valuable asset. As the company gears up to drive growth to the next level, a talented and committed workforce will be the key catalyst in this process. To support this, Eris continues to enhance its management capabilities and train its employees to make them future-ready and develop a highly engaged and motivated workforce.

We have a strong team of 4,000+ Erisians working in our offices, our manufacturing plant and the field.

4,058	2,476	1,041	258
Employees	Medical Representatives	Field Managers	Manufacturing

78	37	168
Sales and Marketing	Intellectual Property & Research	Others

We have stepped up our technology investments in order to make a seamless transition to the "Work from Anywhere" era. The entire field force is equipped with iPads along with built-in applications in order to improve the effectiveness of doctor interactions and brand promotions. This complete digitization of the field force ensured that even during the nation-wide lockdown and the subsequent regional lockdowns, our field force was able to stay digitally connected with Doctors through video calls, video conferences etc.

Our Human Resource team conducts several training and development programmes to enhance the capabilities of our people.

Eris ENGAGE

Launched in March 2020, this digital platform connects the entire field force of Eris on a single platform, thereby keeping them abreast of all significant organisational developments and communication. During the year, we added two new programs to the scope.

New Joinee Induction Program (NJIP)

A programme where the reporting managers conduct induction of New BEs within a time span of six days and participants have to complete activities pertaining to doctor visits, HQ visits and appear for a quiz of their respective brands

My Voice

A platform where employees can voice their grievances which are directed to the Heads of HR and other relevant functions.

e-Aagman

A web based learning platform, where we connect with our new joinees and enable interactive learning. During the year, over 300 employees participated in the program.

Engagement Initiatives

At Eris, we strive to enable our employees to pursue their passion while excelling at work. We organized a number of employee engagement activities at the corporate and plant levels in order to maximise alignment of employee values with those of the company. Examples of such events include Patient Care Champions, Erinnovation (in celebration of Eris Day) and a Talent Hunt for field force.

We also take the time out to celebrate small moments of happiness with our employees and their families like job confirmations, promotions, new-borns in the family and festive occasions.

OUR DISTRIBUTION NETWORK

Pan-India Sales and Distribution Presence

During the year, we continued to aggressively pursue our strategy to effectively manage our stockist network. The emphasis was on deepening our presence in existing markets and penetrating into newer geographies across India.

Our comprehensive pan-India distribution network of 23 Sales depots, 2,133 Stockists and more than 5,00,000 chemists ensures timely and efficient distribution of our products across all relevant retail counters in the country.

Our supply chain team continues to demonstrate significant resilience by keeping the flow of life-saving critical medicines intact throughout the country, in the face of difficult times induced by the pandemic. The cornerstones of our supply chain operation are flexibility, reliability and efficiency.

Pan India Stockists

Region Wise Sales Distribution

23
SALES DEPOT

2,133
STOCKIST

5,00,000+
RETAIL CHEMISTS

OUR MANUFACTURING INFRASTRUCTURE

Our state-of-the-art manufacturing facility at Guwahati, Assam accounted for 74% of all products sold (by value) in FY21. As our Guwahati facility continued its operations in order to support the nation with a supply of essential medicines, we implemented rigorous protocols with regards to social distancing and a phased return-to-work policy. An exhaustive review is undertaken periodically to improve our manufacturing processes and enhance efficiencies. The facility is home to the manufacture of organically-developed products as well as most of our acquired products including Zomelis, Renerve capsules and other oral solid-dose products from the Strides portfolio.

Capacity Utilization for Prescription Products

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	2000	1130	57%
Capsules	200	80	40%
Sachets	40	1	2.5%
Soft Gel Tablets	50	47	94%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	66	7	11%
Capsules	46	21	46%
Sachets	2	-	-

**Installed Capacity based on two shifts per day*

74% of revenues from products manufactured at Guwahati in FY21

345+ products manufactured

State-of-the-art manufacturing facility in Guwahati, Assam

1 Lakh sq ft built-up area

Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption till FY 24 and GST subsidies until FY25

WHO GMP guidelines compliant

ENVIRONMENT, SAFETY AND SOCIAL RESPONSIBILITY

We continue to prioritise our policy of energy conservation across the company. The following energy conservation measures were implemented at our Guwahati manufacturing facility during the financial year, which resulted in a saving of ~ 70,000 units per month:

- Optimisation of compressed air generation process
- Insulation of hot water tanks/steam lines to prevent energy loss
- Ensuring periodic preventive maintenance activities of all systems like HVAC, plant and utility equipment to ensure energy efficiency
- Ensuring operational efficiency of electronic equipment and appliances through periodic servicing; use of energy efficient lighting options like LED bulbs and turning off lights in the No-Man area

Our waste management strategy entails at-source waste minimization, segregation and pre-processing before safe disposal by handing over to a PCB-approved agency for co-processing/ disposal. Our Guwahati manufacturing facility deploys an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process. This process has been designed to manage wastewater economically and produce clean water suitable for reuse in gardening, cooling towers and in washrooms. The plant processed an average of ~ 20,000 litres of effluent per day during the last financial year.

We also take care to optimise our water consumption through the following strategies:

- Installing flow meters for regular monitoring of consumption of water
- Recharging of ground water source / bore-well by surrounding it with a green belt and through rain water harvesting

We continue to promote several initiatives towards ensuring employee health and safety. Strict adherence to safety protocols mean that we have had zero accidents at our Guwahati facility since inception. Some of the key health and safety measures undertaken by us are as follows:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Identifying potential safety hazards and undertaking the required procedures to mitigate risks related to such hazards
- Providing practical training on fire and first aid by professional experts
- Providing on-the-job training by in-house experts
- Celebrating Safety Week every year to promote awareness on the importance of safety procedures
- Conducting regular medical check-ups for all employees
- Arranging safety kits, PPEs, Covid testing and treatment for employees during the pandemic

It has always been our endeavour to build a strong and amicable engagement with the local community around our manufacturing facility, with the objective of working towards their welfare. We conducted several social welfare activities during the year:

- Donated funds to the Zila Sainik Welfare Office for the welfare of families of servicemen and ex-Servicemen
- Donated funds to the Assam Arogya Nidhi Fund for the welfare of BPL families
- Donated funds to the War Widow Fund
- Provided flood relief in the form of food and clothing to affected population
- Distributed food rations during the pandemic
- Conducted eye check-up camps for the local community

AWARDS & ACCOLADES

Best CFO Award in Medium Enterprises
(Manufacturing Industry Category)

National Best Employer Brand 2018
Eris wins out of 100 brands

Emerging Companies
Excellence Award 2013

Ernst & Young Awards
Mr. Amit Bakshi,
Entrepreneur of the Year 2013

Competitive Strategy
Leadership Award 2013

STRATEGIC GROWTH DRIVERS

Consolidation through improved detection and disease management
Consolidate existing brand portfolio by driving better awareness, earlier detection and comprehensive management of diseases. Our latest- generation Diabetes products Gluxit and Zomelis are highly strategic in the management of post-Covid early-onset Diabetes (unmasking of Diabetes)

Significantly expand coverage of Specialists and Consulting Physicians

New product pipeline through upcoming patent expirations
Launch new products in cardiovascular, oral diabetes care and allied segments

Therapeutic Diversification
Expand our footprints in high-growth areas like neurology, women's health and dermatology

In-licensing
Leverage in-licensing opportunities to close portfolio gaps and enter fast-growing areas

Strategic Acquisitions
Augment product line and capabilities through inorganic opportunities

OUR INVESTORS

Shareholding of Promoters and Top 15 Institutional Investors

	As on 31-Mar-2021	As on 31-Dec-2020	As on 30-Sep-2020
Name of Shareholder	**605***	**580***	**538***
Promoters	**54.13%**	**54.23%**	**54.08%**
ChrysCapital (Emerald Investment Limited)	5.51%	5.51%	5.51%
UTI Mutual Fund	4.38%	3.65%	3.34%
Aditya Birla Sun Life Mutual Fund	1.88%	2.38%	2.54%
Franklin Templeton Mutual Fund	1.38%	1.38%	1.73%
Vanguard	1.11%	0.00%	0.00%
Fundsmith Emerging Equities Trust	1.09%	1.09%	1.09%
L and T Mutual Fund	0.90%	0.76%	0.76%
Kuwait Investment Authority	0.87%	1.11%	1.11%
Tata Mutual Fund	0.68%	0.94%	0.94%
Kotak Mutual Fund	0.61%	0.83%	1.16%
Malabar Select Fund	0.45%	0.14%	0.00%
Steinberg India Fund	0.44%	0.44%	0.44%
Ellipsis Partners LLC	0.36%	0.36%	0.17%
Government Pension Fund Global- Norges Bank	0.36%	0.06%	0.06%
Shinsei UTI JV	0.24%	0.20%	0.21%

* Closing price as per NSE

STATUTORY
REPORTS

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The COVID-19 pandemic which began to impact the global economy toward the last quarter of FY20 continued to impact the full year of FY21. As per the IMF's World Economic Outlook report published in April 2021 the global economy contracted sharply by -3.3% in 2020 which is much worse than during the 2008-09 financial crisis. Indian economy is also projected to have contracted sharply by -8.0% in FY21 and -7.1% in CY 2020. This is in sharp contrast to projections of IMF's World Economic Outlook report published in October 2019 in which they had projected global economy and India to grow at 3.4% and 7.0% respectively in 2020.

There is extreme uncertainty due to the public-health and economic disruption created by the COVID-19 pandemic. Companies continue to scramble to address rapidly developing changes in the public-health environment, public policy, customer behaviour and economic uncertainty. The uncertainty of this situation can be estimated from the fact that even after a year in this pandemic, companies are unsure of the magnitude and expected duration of the crisis.

Global prospects remain highly uncertain with new virus mutations and the death toll raise concerns; even as growing vaccine coverage lifts sentiment. The outlook depends not just on the outcome of the battle between the virus and vaccines—it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis. India has also come under pressure with a sharp increase in cases and fresh lockdown pressure owing to the COVID-19 renewing uncertainty and predictability.

Among all the uncertainty, IMF's World Economic Outlook report published in April 2021 has projected sharp rebound in growth in CY 2021. Global growth is projected at 6% in 2021 while India is projected to grow at the fastest pace of 12.5% among all the major economies.

INDIAN PHARMACEUTICALS MARKET (IPM)

The Indian pharma industry has achieved significant growth during the past five decades. From contributing just 5% of the medicine consumption in 1969 (95% share with the global pharma), the share of "Made in India" medicines in Indian pharma market is now a robust 80% in 2020.

Since the outbreak of COVID 19 Pandemic, pharmaceutical industry along with the healthcare sector globally, has been impacted in an unseen way leading to material impact around consumer requirements and preferences accompanied by macroeconomic, structural, and microeconomic changes in the end-to-end value chain. From March 2020 onwards, the industry has been hit by debilitating restrictions and impediments to reach customers with expectations to operate and supply drugs. In the last few months, COVID-19 has led to significant geo-economic and geopolitical shifts, with major economies driving self-sufficiency agenda and recalibrating their global business models.

The Indian Pharmaceutical market which grew by ≈9-10% in previous 2 years grew by 2.1% in FY21. This recovery has to be seen in light of the strong sequential rebound in the market after a sharp decline during initial months of the year. Lockdown in initial part of the year posed strong headwinds from multitude of concerns around supply chain, prices, impact on demand and availability assuming significance. While the chronic therapies remained relatively insulated from the impact of the pandemic, the acute business witnessed a drop, with recovery signs beginning only in later part of the year 2020. The impact of lockdown was felt more in urban regions versus non-urban regions.

Source: AIOCD, Ind-Ra

The domestic Indian pharma industry is positioned to grow, driven by an ageing population, higher medicine spending and rising share of chronic therapies such as cardiac, diabetes and cancer. First-line therapy medicines should drive volume growth. Indian domestic pharma market has grown at an impressive CAGR of ~14% during the last 15 years despite hurdles such as price control.

Source: Statista, EY

The COVID-19 pandemic has brought sharp focus on the need for healthcare reforms to promote universal access to affordable care and bridge geographic, economic and social divisions. Moreover, it clearly highlighted the importance of a strong healthcare system, the lack of which can put an entire nation's economy and society at risk. As India continues to fight COVID-19 and stabilize its economic growth trajectory, it is the right time for the country to apply learnings from the challenges and best practices that emerged during the pandemic. There is a need to swiftly develop the required healthcare infrastructure and make it available to the entire population. The Indian pharma industry has been a key contributor in improving the country's healthcare and economic outcomes. The pandemic has accelerated several opportunities and challenges for the industry.

As a percentage of GDP, India is one of the lowest spenders on total and public healthcare when compared to other BRICS countries.

Healthcare Financing

Source: WHO

At the current rate of investment, India's public healthcare capacity and delivery will continue to be sub-optimal. As such, greater than 70% of capacity and ~60% of inpatient care is being served by the private healthcare system in India. The government aims to increase the spend to 2.5% of GDP by 2025. This is expected to boost the overall healthcare infrastructure in the country. India's per capita health expenditure which was $73 in 2018 is expected to more than double by 2030.

Source: World Bank, Global Burden of Disease Health Financing Collaborator Network

Pradhan Mantri Jan Arogya Yojana (PMJAY), coupled with the improvement in penetration of private health insurance, has increased the proportion of the insured population to 52% in 2017-18, from 37% in 2014-15. Coverage is projected to grow close to 70-75% by 2025. By 2030, India can achieve full Universal Health Cover if Ayushman Bharat expands to include middle class (by increasing coverage from 45% to 65% of population, with the rest of the population under private insurance and employee schemes). Increase in insurance coverage will help drive the expansion of healthcare services and pharmaceuticals market in India.

Expanding Healthcare Coverage

Population coverage	2014-2015	Changing payer mix: individual to institutional 2017-2018	2025P
Commercial insurance	6%	10%	19%-20%
Employee schemes (CGHS, ESIS)	6%	10%	10%-15%
Government schemes	25%	32%	40%-45%
Uncovered population	63%	48%	20%-30%

Source: EY FICCI report, Re-engineering Indian Healthcare, September 2016, IRDAI Handbook, IRDAI Annual Report, National Health Profile, Individual state insurance websites, EY analysis

COMPANY OVERVIEW – WHO WE ARE

Eris Lifesciences Ltd is the only publicly listed Indian pharmaceutical company with a pure-play domestic branded formulations business model. Established in 2007, Eris is by far the youngest company in the IPM Top-25. Our business ethos is based on two pillars – harnessing the power of cutting-edge science to bring evidence-based therapies to the market, and enabling patients to take charge of their diagnoses and their lives through our patient care initiatives. Since inception, we have been focused on chronic and sub chronic lifestyle related therapies. We are a fully-integrated pan-India business with a strong focus on high-end super-specialist doctors and consulting physicians.

We continue to pioneer the generation of actionable medical evidence through initiatives such as the India Heart Study (IHS) and India Diabetes Study (IDS); these studies are helping create bodies of knowledge hitherto unknown and are paving the way for better management of health and treatment outcomes. IHS, the only study of its kind on hypertension based on the Indian population has been jointly accepted by the European Society of

Hypertension and the International Society of Hypertension.

We made a seamless transition to the digital era in FY21, with the conduction of ~2,500 digital interactions (webinars) in FY21 covering over 33,000 medical practitioners, across a range of topics including diabetes, heart failure, Covid impact on cardio-metabolic health, general immunity and epilepsy.

We are very passionate about our unique Patient Care Initiatives (PCI) platform, which enables us to bring cutting-edge healthcare solutions to patients through the involvement and cooperation of Key Opinion Leaders in our specialty businesses. Our initiatives are focused on bringing state-of-the-art diagnostic facilities and subsequent treatment options to patients. What started as a small initiative has turned into a mammoth programme over the years whereby we have helped tens of thousands of patients towards healthier lives through initiatives such as the ABPM, HBPM, CGM, Sleep Studies, and Holter on Call.

We have a fully integrated business model with our WHO GMP compliant manufacturing facility in Guwahati catering to 74% of our revenue. Our pan-India distribution network of over 2,100 stockists and 5,00,000+ chemists gives us a seamless presence across the nation. Over 4000 employees work out of our corporate offices in Ahmedabad and Mumbai, the field and our Guwahati facility.

Revenues have grown 6x in the last 10 years (since FY11) and 2x in the last 5 years (since FY16). Net profits have grown ~ 17x in the last 10 years and 2.6x in the last 5 years. The company has maintained an ROIC in excess of ~ 30% over the last 12 years. Fourteen years into the business, the company retains its fundamental strengths in terms of a chronic-focused portfolio (91% of sales) with low (7%) NLEM exposure, high mind-share and prescription ranks with super-specialists (#3 among Diabetologists and #4 among Cardiologists), strong cash generation (free cashflow of 81% of FY21 EBIDTA) and a debt-free balance sheet.

FY21 has been a game changer for the company in terms of getting us on to the next leg of growth. We look forward to exciting years ahead where we would be able to create value for all our stakeholders and society at large.

OUR BUSINESS

Eris derives all of its revenue from the domestic formulations market. Chronic and sub-chronic therapies make 91% of our business (vs. 55% for the IPM).

Source: AIOCD MAT Mar 21

OUR TOP MOTHER BRANDS

We have a focused portfolio with Our Top 15 Mother Brands making up nearly 80% of our revenue.

Source: AIOCD MAT Mar 21

Zomelis

Market leader with a 4.4x growth in monthly sales run-rate since acquisition

Zomelis has consistently ranked #1 among the 80+ generics brands of Vildagliptin; Rank #3 including innovator brands

Source: AIOCD MAT Mar 21

Dec 2019 Mar 2021

Sales volume in mn tablets, Sales value in INR Crore, Market share by value

OUR PRESCRIPTION RANKINGS

Continued high prescription ranks among super-specialists

4TH RANK — CARDIOLOGISTS

3RD RANK — DIABETOLOGISTS

3RD RANK — GASTROENTEROLOGISTS

3RD RANK — NEUROLOGISTS

6TH RANK — CONSULTING PHYSICIANS

Source: SMSRC MAT Feb '21
Prescription Ranks in Represented Market

OUR STRATEGIC BUSINESS UNITS

We have focused our business operations around 11 divisions organised into 4 Clusters/ Strategic Business Units.

Cluster 1 Cardio Metabolic
- Eris
- Phoenix — A Division of Eris
- ASPIRE — A Division of Eris

Cluster 2 Cardio Metabolic
- Inspira — A division of ERIS
- ADURA — A Division of ERIS
- Victus — A Division of ERIS

Cluster 3 CNS
- Eterna
- Altiza — A division of ERIS

Cluster 4 Wellness
- Filix — A Division of ERIS
- Nikkos — A Division of ERIS
- Montana — A Division of ERIS

OUR THERAPY AREAS

ORAL DIABETES CARE

Oral Diabetes Care is our largest therapy area, contributing INR 4,701 mn or 32% of our business. Over FY 11 to FY 21, our Oral Diabetes Care franchise has grown 1.5x faster than the market at a CAGR of 31%.

1.5x times faster growth than market

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

With a long-standing and established presence in Oral Diabetes Care, Eris continues to fortify its high ranking in terms of revenue rank of #5^ and prescription rank of #3 among Diabetologists. *(Source: SMSRC MAT Feb'21)*
^Rank in the represented market

In FY 21, while the Oral Diabetes Care market grew at 6%, Eris outgrew it with a strong yoy growth rate of 16%.

FY 21 Revenue = INR 4,701mn

Source: AIOCD MAT Mar '21

This year, we fortified our portfolio with Gluxit, our Dapagliflozin brand in the strategically important SGLT 2 segment. Launched in October'20, Gluxit ranks No.1 among the 30+ generic brands of Dapagliflozin and enjoys a market share of 5.5% by value (overall molecule) and 13.8% (among Generic versions) as of March '21. *(Source: AIOCD AWACS Pharmatrac)* We expect Gluxit to continue with its successful performance in FY22 as well.

Of our top mother brands in the segment – Glimisave, Tendia, Cyblex and Zomelis – Zomelis has scaled up its monthly run-rate by nearly 4.5x since acquisition, and has maintained its position as the #1 Vildagliptin brand among the generic versions (Rank #3 including innovator brands). Zomelis had an overall market share of 4.8% (and 10.9% among Generic versions) as of March 2021. *(Source: AIOCD AWACS Pharmatrac)* Our flagship Glimisave franchise has maintained its rank in terms of revenue.

CARDIAC CARE

Cardiac Care is our second largest therapy area, contributing INR 3,885 mn or 26% of our business. Over FY 11 to FY 21, our Cardiac Care franchise has grown 1.4x faster than the market at a CAGR of 22%.

1.4x times faster growth than market

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

Eris is ranked #4 in terms of prescription rank among Cardiologists and #11^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, Olmin, LNBloc, Crevast and Atorsave – in the Cardiac Space. In FY21, Eritel and LNBloc continued to maintain ranks in their respective segments. We also made a debut in the fast-growing anti-thrombotics segment through the launch of Rivalto, our Rivaroxaban offering. In FY 21, Eris underperformed the Cardiac Care market by growing at 3%. *(Source: SMSRC MAT Feb'21 and AIOCD AWACS Pharmatrac.)*
^Rank in the represented market

FY 21 Revenue = INR 3,885mn

Source: AIOCD MAT Mar '21

VITAMINS, MINERALS & NUTRIENTS (VMN)

Vitamins, Minerals and Nutrients (VMN) comprises our 3rd largest therapy area contributing to INR 2,972 mn or 20% of our business. Over FY 11 to FY 21, our VMN franchise has grown 1.1x faster than the market at a CAGR of 19%.

1.1x times faster growth than market

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

In FY 21, while the VMN market grew at 8%, Eris' VMN growth at 15% was nearly twice the market rate. Along with strong growth in our lead offerings such as Renerve and Tayo, we fortified our portfolio with the launch of ZACD, an immunity-enhancing formulation. ZACD combines the power of Zinc as well as Vitamins A, C and D into a convenient single tablet, and is yet another testimony of our ability to identify and capitalise on product gaps in hyper-competitive markets. We expect ZACD to add to the performance of the VMN segment with full year's revenue coming in starting FY22.

FY 21 Revenue = INR 2,972mn

Source: AIOCD MAT Mar '21

CENTRAL NERVOUS SYSTEM (CNS)

Our 4th largest therapy area, CNS contributed INR 974 mn or 7% of our business.

In FY 21, Eris's CNS segment de-grew by 4% yoy while the CNS market grew by 5%.

FY 21 Revenue = INR 974mn

Source: AIOCD MAT Mar '21

We added Bricet to the portfolio this year. Bricet is a formulation of latest generation molecule Brivaracetam indicated for the treatment of Epilepsy. Of the top 4 Mother Brands – Serlift, Desval ER, Sonaxa and Levroxa – while Serlift, and Desval ER maintained their ranks in their respective segments, Levroxa outperformed its market and marginally gained market share in its category.

GASTRO INTESTINAL (GI)

The largest therapy area in our acute franchise, GI contributed to INR 889 mn or 6% of our business. Over FY 11 to FY 21, our GI franchise has grown 1.2x faster than the market at a CAGR of 17%.

1.2x times faster growth than market

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

In FY 21, while the GI market grew at 5%, Eris outgrew it marginally with a yoy growth rate of 6%.

FY 21 Revenue = INR 889mn

Source: AIOCD MAT Mar '21

Of the top 3 Mother Brands – Rabonik, Velgut and Stugil – Rabonik and Velgut delivered robust growth in their respective categories as well as climbed 2 ranks higher. Stugil continued to maintain its position in the market.

GYNAECOLOGY

Our gynaecology segment contributed INR 519 mn or 4% of our business. Over the last decade, Eris has outperformed the gynaecology market by 4.1x by growing at a CAGR of 49%.

4.1x times faster growth than market

Source: AIOCD MAT Mar '21
*data not adjusted for stockist panel changes during the 10 year period

In FY 21, Eris's gynaecology segment de-grew by 11%, underperforming the market which de-grew by 1%.

FY 21 Revenue = INR 519mn

Source: AIOCD MAT Mar '21

Of the Top 3 Mother Brands – Raricap, Metital and Rariset – Rariset delivered robust growth albeit at a low base, while Raricap and Metital witnessed subdued performance. Launched in the previous year, Redrim grew strongly on a low base.

CIRCA – WORLD-CLASS MEDICAL DEVICES

BRINGING GLOBALLY VALIDATED MEDICAL DEVICES TO INDIA

Through our in-licensing partnership with Microlife, we have brought a range of world-class medical devices to India. This includes the Circa range of blood pressure monitors, blood glucose monitors and infra-red thermometers.

Circa 120/80 range of products are the world's most validated blood pressure monitoring devices. Along with being clinically validated for medical conditions like diabetes, kidney disorder, old age and pregnancy, the devices also screen patients for abnormal heart rhythms.

Circa Validio is India's first blood glucose monitor with a patented gold cartridge system. The cartridges in the monitors use 3 patented technologies to ensure near-laboratory accuracy in readings.

Circa 98 FX are world class IR thermometers that are clinically validated in Europe and are USFDA approved. Unlike regular thermometers available in the market, CIRCA 98 FX has a blue tracking light that ensures the distance from the patient and ensures that accurate temperature is recorded every single time.

CIRCA VALIDIO

BGM

CIRCA 98 FX

IR Thermometer

OUR IT PLATFORM

Our IT infrastructure provides the backbone for the operation of all our critical functions – Procurement, Forecasting, Production Planning, Manufacturing, Sales, Marketing and Field Force Management.

Deployment of best-in-class technological solutions has enabled us to ensure efficiency in operations, optimise inventory levels, streamline the supply chain, and digitise our field force operations. Technology partners like Microsoft, Accenture, Watch Guard, QNAP, VMWare, Dell, EMC and Hewlett Packard help us stay in the forefront of technological advancements and digital work-enablement.

During the year, we augmented our IT infrastructure capabilities by undertaking two new projects.

Business Intelligence Analytics

Driven by proprietary technology of Accenture, which creates an insightful decision support system for senior management to make strategic and operational business decisions

Darwin Box

A comprehensive and intuitive cloud-based human resource management system, with a proven track record of enhancing employee engagement and productivity

- **Business Intelligence Analytics -** Driven by proprietary technology of Accenture, targeted at building a strong decision support system for senior and middle management. The first objective of the project is to leverage the vast repository of business data being collected every day, transform it into visual dashboards and help us generate actionable insights to enable better decision making. As the software goes through its learning process, we will start harnessing the power of predictive analytics in order to be able to model the outcomes of various potential actions. We expect this tool to enable better strategic and operational decision making across the entire range of functions spanning our business. In the first leg of this project, we have implemented dashboards featuring more than 500 KPIs across all important functional areas of the organization.

- **Darwin Box -** An end-to-end and intuitive human resource management system hosted on the cloud, which has the potential to unify the entire employee lifecycle on to a single platform. The platform enables improved employee engagement and collaboration and aids management decision making with potent analytics. This results in improved efficiency and productivity of field and remote-working personnel. The system has several features including recruitment and on-boarding management, timesheet management, and performance and compensation management along with the facility to manage other routine HR functions. The platforms also enables employees to seek 360 degree feedback resulting in improved performance.

We have successfully deployed an On-premise Disaster Recovery solution which ensures the minimization of data loss and business disruption resulting from catastrophic events.

Our IT platform was instrumental in achieving a seamless transition to work-from-home environment with minimal disruption to operations. We are committed to increase our investments in technology in the years to come, to continue making our business operations more efficient, effective and resilient.

OUR PEOPLE

TREASURING TALENT AND BECOMING THE EMPLOYER OF CHOICE

We at Eris are a large family of passionate, empowered, high-energy and result-oriented individuals. We take pride in what we have accomplished in just little over a decade, and that we continue to rank among the fastest growing companies in the industry. However more than anything else, we are driven by our shared vision of improving health outcomes through our patient centric approach.

None of this would have been possible without the talent at Eris that has fuelled its meteoric rise. We have a work environment that is fun, exciting and challenging, with the ultimate objective of nurturing and enabling our people realise their true potential. Our culture reflects our core values of patient centricity, active listening, tenacity, empowerment and integrity; these have been the core catalysts in our transformational journey since inception.

Talent management at Eris is about attracting the best talent, and grooming it for sustained success in all walks of life through professional development and opportunities for job enrichment. Towards this, the Human Resources function goes beyond the business-partner role and assumes the role of a business-enabler. From our policies to practices, our human resources management reflects a mix of the contemporary and the futuristic, thereby striving to keep Eris ahead of the curve. Our various employee engagement initiatives ensure that our workplace is as vibrant as our diverse backgrounds. We celebrate each day as we strive to perfect our work-life balance. Eris firmly believes that human capital is its most valuable asset. As the company gears up to drive growth to the next level, a talented and committed workforce will be the key catalyst in the process. To support this, Eris continues to enhance its management capabilities and train its employees to make them future-ready and develop a highly engaged and motivated workforce.

We have a strong team of 4,000+ Erisians working in our offices, our manufacturing plant and the field.

4,058	Employees
2,476	Medical Representatives
1,041	Field Managers
258	Manufacturing
78	Sales and Marketing
37	Intellectual Property & Research
168	Others

We have stepped up our technology investments in order to make a seamless transition to the "Work from Anywhere" era. The entire field force is equipped with iPads along with built-in applications in order to improve the effectiveness of doctor interactions and brand promotions. This complete digitization of the field force ensured that even during the nation-wide lockdown and the subsequent regional lockdowns, our field force was able to stay digitally connected with Doctors through video calls, video conferences etc.

Our Human Resource team conducts several training and development programmes to enhance the capabilities of our people.

Eris ENGAGE

Launched in March 2020, this digital platform connects the entire field force of Eris on a single platform, thereby keeping them abreast of all significant organisational developments and communication. During the year, we added two new programs to the scope.

New Joinee Induction Program (NJIP)

A programme where the reporting managers conduct induction of New BEs within a time span of six days and participants have to complete activities pertaining to doctor visits, HQ visits and appear for a quiz of their respective brands

My Voice

A platform where employees can voice their grievances which are directed to the Heads of HR and other relevant functions.

e-Aagman

A web based learning platform, where we connect with our new joinees and enable interactive learning. During the year, over 300 employees participated in the program.

ENGAGEMENT INITIATIVES

At Eris, we strive to enable our employees to pursue their passion while excelling at work. We organized a number of employee engagement activities at the corporate and plant levels in order to maximise alignment of employee values with those of the company. Examples of such events include Patient Care Champions, Erinnovation (in celebration of Eris Day) and a Talent Hunt for field force.

We also take the time out to celebrate small moments of happiness with our employees and their families like job confirmations, promotions, new-borns in the family and festive occasions.

OUR DISTRIBUTION NETWORK

PAN-INDIA SALES AND DISTRIBUTION PRESENCE

During the year, we continued to aggressively pursue our strategy to effectively manage our stockist network. The emphasis was on deepening our presence in existing markets and penetrating into newer geographies across India.

Our comprehensive pan-India distribution network of 23 Sales depots, 2,133 Stockists and more than 5,00,000 chemists ensures timely and efficient distribution of our products across all relevant retail counters in the country.

Our supply chain team continues to demonstrate significant resilience by keeping the flow of life-saving critical medicines intact throughout the country, in the face of difficult times induced by the pandemic. The cornerstones of our supply chain operation are flexibility, reliability and efficiency.

OUR MANUFACTURING INFRASTRUCTURE

Our state-of-the-art manufacturing facility at Guwahati, Assam accounted for 74% of all products sold (by value) in FY21. As our Guwahati facility continued its operations in order to support the nation with a supply of essential medicines, we implemented rigorous protocols with regards to social distancing and a phased return-to-work policy. An exhaustive review is undertaken periodically to improve our manufacturing processes and enhance efficiencies. The facility is home to the manufacture of organically-developed products as well as most of our acquired products including Zomelis, Renerve capsules and other products from the Strides portfolio.

74% of revenues from products manufactured at Guwahati in FY21

345+ Products manufactured

State-of-the-art manufacturing facility in Guwahati, Assam

1 Lakh sq ft built-up area

Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption till FY 24 and GST subsidies until FY25

WHO GMP guidelines compliant

Capacity Utilization for Prescription Products

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	2000	1130	57%
Capsules	200	80	40%
Sachets	40	1	2.5%
Soft Gel Tablets	50	47	94%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	66	7	11%
Capsules	46	21	46%
Sachets	2	-	-

*Installed Capacity based on two shifts per day

ENVIRONMENT, SAFETY AND SOCIAL RESPONSIBILITY

We continue to prioritise our policy of energy conservation across the company. The following energy conservation measures were implemented at our Guwahati manufacturing facility during the financial year, which resulted in a saving of ~ 70,000 units per month:

- Optimisation of compressed air generation process
- Insulation of hot water tanks/ steam lines to prevent energy loss
- Ensuring periodic preventive maintenance activities of all systems like HVAC, plant and utility equipment to ensure energy efficiency

- Ensuring operational efficiency of electronic equipment and appliances through periodic servicing; use of energy efficient lighting options like LED bulbs and turning off lights in the No-Man area

Our waste management strategy entails at-source waste minimization, segregation and pre-processing before safe disposal by handing over to a PCB-approved agency for co-processing/disposal. Our Guwahati manufacturing facility deploys an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process. This process has been designed to manage wastewater economically and produce clean water suitable for reuse in gardening, cooling towers and in washrooms. The plant processed an average of ~ 20,000 litres of effluent per day during the last financial year.

We also take care to optimise our water consumption through the following strategies:

- Installing flow meters for regular monitoring of consumption of water
- Recharging of ground water source / bore-well by surrounding it with a green belt and through rain water harvesting

We continue to promote several initiatives towards ensuring employee health and safety. Strict adherence to safety protocols mean that we have had zero accidents at our Guwahati facility since inception. Some of the key health and safety measures undertaken by us are as follows:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Identifying potential safety hazards and undertaking the required procedures to mitigate risks related to such hazards
- Providing practical training on fire and first aid by professional experts
- Providing on-the-job training by in-house experts
- Celebrating Safety Week every year to promote awareness on the importance of safety procedures
- Conducting regular medical check-ups for all employees
- Arranging safety kits, PPEs, Covid testing and treatment for employees during the pandemic

It has always been our endeavour to build a strong and amicable engagement with the local community around our manufacturing facility, with the objective of working towards their welfare. We conducted several social welfare activities during the year:

- Donated funds to the Zila Sainik Welfare Office for the welfare of families of servicemen and ex-Servicemen
- Donated funds to the Assam Arogya Nidhi Fund for the welfare of BPL families
- Donated funds to the War Widow Fund
- Provided flood relief in the form of food and clothing to affected population
- Distributed food rations during the pandemic
- Conducted eye check-up camps for the local community

FINANCIAL REVIEW

Financial Highlights

Summary Consolidated Income statement

Particulars (INR million)	FY 20	FY 21	Growth %
Revenue from Operations	10,741	12,119	12.8%
Gross Profit	9,025	9,736	7.9%
EBITDA	3,684	4,306	16.9%
EBIT	3,181	3,876	21.8%
Profit Before Tax	3,314	3,945	19.1%
Profit After Tax	2,965	3,551	19.8%
Earnings per share (INR)	21.61	26.16	21.0%

Summary Standalone Income statement

Particulars (INR million)	FY 20	FY 21	Growth %
Revenue from Operations	10,202	11,088	8.7%
Gross Profit	8,559	9,103	6.4%
EBITDA	3,556	4,173	17.4%
EBIT	3,107	3,797	22.2%
Profit Before Tax	3,236	3,889	20.2%
Profit After Tax	2,913	3,506	20.4%

Revenue from Operations

For the year under review, the Company's consolidated Revenue from Operations increased by 12.8% to INR 12,119 mn from INR 10,741 mn in FY 20.

The growth in the standalone operations, which represent the branded formulation business of Eris, is a testimony of our strong and consistent focus on building resilient brands in the chronic and sub chronic therapies. The AIOCD AWACS analysis shows that Eris is growing at more than twice (2.1x) of its covered market and thrice (3x) as the IPM. Our Trade Generics, OTC and Medical Devices segments also contributed to the consolidated growth.

As per AIOCD, our cardio-metabolic segment (which contributes 59% to our revenue), grew 9.7% yoy in FY 21, marginally outperforming its covered market which grew by 9.4% yoy. The Vitamins, Minerals and Nutrients (VMN) segment (20% of our revenue) grew by 14.8% yoy, outperforming significantly its covered market which grew by 8.6% yoy. Our Top-15 mother brands, which contribute nearly 80% of our revenue, grew by 8.9% yoy. 7 out of these Top 15 brands outgrew their markets.

Gross Profit: Our new product launches acquired strong momentum in FY21. As may be expected, these new products, until they ramp up to a reasonable scale, bring with them an increased cost of goods sold. Owing to the higher incidence of new products in our revenue mix, our consolidated gross margin decreased from 84.0% in FY20 to 80.3% in FY21. The standalone gross margin (branded formulations) decreased from 83.9% in FY20 to 82.1% in FY21. We expect the gross margins of new products to ramp up starting next quarter as the new products scale up, and we start realising volume benefits in procurement and manufacturing.

Employee Expenses: Our employee expenses as a ratio of operating revenues remained in line with the previous year as we continue to reap benefits of people investments made in earlier years. We realised substantial productivity gains in our standalone operations (branded formulations business) as the YPM (Yield per Man per Month) for FY21 increased by ~ 15% to INR 4.5 lakh per month, up from INR 3.9 lakh per month in FY20.

Other Expenses: Standalone other expenses as a percentage of revenue witnessed a reduction of 445 bps during the year on account of higher field-force productivity, and the shift of promotional activities to digital platforms. We also witnessed a reduction in our consolidated other expenses (as a percentage of revenue).

Earnings before Depreciation, Amortisation, Interest and Taxes (EBITDA): As a result of the said factors, the standalone EBIDTA margin increased to 37.6% in FY21 from 34.9% in FY20 and the consolidated EBIDTA margin increased to 35.5% in FY21 from 34.3% in FY20. We continue to remain among the highest EBIDTA-margin companies in our industry.

Profit Before Tax (PBT): Consolidated PBT grew by 19.1% to INR 3,945 mn from INR 3,314 mn in FY 20.

Tax Expenses: Our effective tax rate declined slightly to 10.0% in FY21 from 10.5% in FY20 as we continue to enjoy tax exemption at our Guwahati manufacturing facility which catered to 74% of our standalone revenue.

Profit After Tax (PAT): Consolidated Profit after Tax for the year at INR 3,551.4 mn witnessed a 19.8% yoy growth and standalone Profit after Tax for the year at INR 3,506 mn witnessed a 20.4% growth.

Cashflows: We continue to remain among the highest cash-flow generating businesses in our industry. Operating cashflow (OCF) to EBITDA ratio in FY21 stood at 87%, and Free Cashflow (FCF) to EBIDTA ratio stood at 81%. We continue to remain a debt-free company.

Working Capital: We managed to tighten our working capital management despite all the pandemic-related headwinds. Our core working capital (inventory, debtors and payables) in the standalone business decreased to 30 days of operating revenue in FY 21 from 42 days of operating revenue in FY 20. We reduced our Debtor turnover days in the standalone operations from 50 days of operating revenue in FY 20 down to 37 days of operating revenue in FY 21. We continue to make efforts to optimise our working capital requirements as we move forward.

Key Financial Ratios – Consolidated

Ratio	FY 20	FY 21	Variance
Profitability Margin ratios			
Gross Margin	84.0%	80.3%	(369) bps
EBITDA Margin	34.3%	35.5%	123 bps
EBIT Margin	29.6%	32.0%	236 bps
PAT Margin	27.6%	29.3%	170 bps
Return ratios			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	29.8%	33.5%	371 bps
Return on net worth (RoE) (ex treasury investments and cash & cash equivalents)	30.3%	30.7%	43 bps
Working capital ratios			
Net Working Capital days	59	51	(13.2%)
Debtors days	53	42	(20.6%)
Inventory days	24	28	20.5%
Gearing ratios			
Interest coverage ratio	147	215	46.2%
Debt/Equity ratio	0	0	
Liquidity ratios			
Current ratio	2.9	2.8	(3.9%)
Current Assets	4,796	4,670	(2.6%)
Current Liabilities	1,647	1,669	1.4%

Key Financial Ratios – Standalone

Ratio	FY 20	FY 21	Variance
Profitability Margin ratios			
Gross Margin	83.9%	82.1%	(179) bps
EBITDA Margin	34.9%	37.6%	278 bps
EBIT Margin	30.5%	34.2%	379 bps
PAT Margin	28.5%	31.6%	307 bps
Return ratio			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	37.4%	41.2%	378 bps
Working capital ratios			
Net Working Capital days	58	51	(11.9%)
Debtors days	50	37	(25.7%)
Inventory days	23	21	(8.9%)
Gearing ratios			
Interest coverage ratio	168	488	191.2%
Debt/Equity ratio	0.0	0.0	
Liquidity ratios			
Current ratio	3.0	2.9	(2.5%)
Current Assets	4,496	4,236	(5.8%)
Current Liabilities	1,494	1,445	(3.3%)

INTERNAL CONTROL SYSTEMS & ADEQUACY

The internal financial controls (IFC) framework institutionalised in Eris Lifesciences has been evaluated in-depth for its adequacy and operating effectiveness, wherein the company has covered financial reporting controls, operating controls, compliance related controls and also Information Technology (IT) controls, comprising of IT general controls (ITGC) and application level controls. The company has aligned IFC framework in line with the requirements of Companies Act 2013, on the lines of the globally accepted risk-based framework.

The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

RISK AND RISK MITIGATION

The company has a Risk Management Committee of the board which is entrusted with the responsibility of overseeing various strategic, operational, compliance and financial risks the organisation faces. The Risk Management Committee reviews and addresses the risks on periodic basis.

The company has a robust risk management framework to identify, monitor, mitigate and minimise risks. The company is continuously monitoring and adapting the risk management framework to address the new challenges raised by the global pandemic of Covid-19. The company defines and addresses risks majorly in following categories:

Strategic Risks are uncertainties impacting strategic goals of the Company and these risks arise due to key decisions taken by the management with respect to new markets, product & process development, resources, business growth & revenue model, M&A, industry changes, investment model, natural disasters, etc. which can impact business objectives.

Operational Risks are attributable to the efficient and effective utilization of resources. It covers risks related to gaps in existing processes which could make the function/process weak and vulnerable to exploitation, which could have an adverse impact on the business. The gaps could be related to production capacities, quality assurance, customer demands, material availability, human safety, etc.

Compliance risks arise out of non-compliance with applicable laws, regulations, standards and policies which could impact the Company's reputation and business.

Financial risks include uncertainties and untapped opportunities in effective and efficient utilization of financial resources as well as uncertainties in currency fluctuations, liquidity & funding, capital management and credit risk. These risks could have an impact on the Company's financial statements and the transmission of accurate financial information to stakeholders.

Economic and Political Risks are the risks impacted by the various macro-economic factors and economic developments which have an adverse effect not only on the industry, but also the company as a whole. Any change in Government or a change in the economic and deregulation policies could adversely affect the economic conditions prevalent in the areas in which the company operates. These factors could depress economic activities and restrict its access to capital, which could have an adverse effect on its operations.

Regulatory Risks: The industry is subject to extensive regulations and any failure to comply with the applicable regulations prescribed by the central, state governments and regulatory agencies or failure to obtain or renew any licences and permits, could impact our business. The company maintains a strict vigil on the quality standards through a robust quality assurance framework. Regular monitoring of all the products, manufacturing and supply chain processes, enable the company to maintain high quality standards on one hand, while securing conformity with regulatory norms on the other. The Risk Committee of the Company reviews the regulatory changes and identifies the potential new risks and its impact and plans the remediation plan.

Competition Risk: The industry is a highly competitive one, with presence of several major players. As a result of this, products face intense competition in various therapeutic areas. In order to mitigate the risks arising out of competition, the company has developed capabilities in the commercialisation of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and other regulatory aspects. The Company's capabilities are further enhanced with the presence of multiple sales division that focus on developing and growing its industry engagement.

OUTLOOK

STRENGTHS AND OPPORTUNITIES

Strong brands: The Company continues to focus on maintaining the strength of its brand portfolio; the Top 15 Mother Brands contribute 78% of its revenue and are well placed in their segments and poised for further future growth.

Leading prescription ranks: The Company's strong portfolio of Mother Brands has witnessed improvement over the years and enjoys leading prescription ranks with their respective specialties. In the prescription market, the Company holds a dominant position in key specialty areas such as diabetologists, cardiologists, neurologists, gastroenterologists and Consulting Physicians. Prescription ranks, implying the growth in new prescriptions, are a leading indicator of growth.

Prescription ranking among super specialists:

Diabetologists	3rd
Cardiologists	4th
Neurologists	3rd
Gastroenterologists	3rd
Consulting Physicians	6th

Source: SMSRC MAT Feb'21

Patient care initiatives: Our unique Patient care initiatives approach to doctor engagement leads to a professional and science backed customer relationship which apart from helping the healthcare community manage the disease burden, create immense brand equity for the Company.

Strong balance sheet: The Company enjoys a debt free status and has consistently generated profits and strong cash flows. The Company follows strong return discipline in capital allocation decisions which has helped in having a strong balance sheet with superior returns on invested capital and net worth for the benefit of shareholders.

Operating efficiency: The yield per man (YPM) for the Company has potential of scaling up to industry leading numbers. With improvement in the YPM metric margin efficiency also improves.

Operating leverage: The manufacturing facility in Guwahati, Assam currently operating at ≈55% capacity utilisation on a two shift basis is capable of being scaled up to triple shift basis. The unutilised capacity will provide operating leverage benefit to the Company as sales of the products manufactured from the facility increases.

Demographic tailwinds: Overall healthcare spending in India is expected to rise due to rise in population, consistent economic development and rapid urbanisation, improved affordability, high real GDP growth rate and improving GDP per capita rising healthcare awareness among the masses and greater demand for insurance coverage, boosted by government and private insurer initiatives.

Increased lifestyle related diseases: Increasingly sedentary lifestyle, changing consumption patterns and rapid urbanization has led to a widespread rise in chronic ailments. As the market and economy mature, India is expected to see a higher share of chronic diseases in line with other emerging and most developed nations.

Health Insurance coverage: Greater demand for insurance coverage, boosted by government and private insurer initiatives will help drive the expansion of healthcare services and pharmaceuticals market in India.

Rising healthcare awareness: Enabled by rising medical information portals and healthcare start-ups, patients are becoming more aware of diseases and preventive therapies/medicines.

Increase in government health expenditure: The government has plans of increasing focus on healthcare, doubling its share of expenditure as a % of GDP by 2025.

THREATS, RISKS AND CONCERNS

Pandemic-like Situation: The outbreak of the COVID-19 like pandemic across the world and subsequent disruption in economic activities apart from impacting GDP across countries also causes various disruptions which impacts demand of pharmaceutical products.

Regulatory Overhang: The Drug Price Control (Amendment) Order limits price increases in schedule drugs mentioned in the National List of Essential Medicines (NLEM). While it has been observed that competitive forces in the market have been more effective in controlling prices, amendments in the list will continue to pose challenges for the industry. As on 31st March 2021, 7% of the Company's revenue were from drugs scheduled in the NLEM (vs. 17% for the Indian Pharma Market).

GOING AHEAD

With sharp recovery expected in Indian economy and more focus on healthcare after COVID-19 pandemic domestic pharmaceutical market is expected to grow significantly. Eris's strong current portfolio will further reap benefits of investments in promotions in last couple of years. While the existing business remains the main engine of growth for the Company, in-licensing, exploring newer therapeutic areas and future patent expiries are some areas that it is exploring. In-licensing of products also remains an exciting opportunity for the Company. It is aggressively looking at entering into partnerships with national and international entities to leverage its sales and marketing, distribution and manufacturing facilities. The Company has also identified various key products whose patents expire in the near future. Productivity is also expected to improve further with further expansion in doctor reach.

The Company is confident to continue to outperform in core therapies as a result of super speciality focus, strong power brands, presence in fast growing molecules and adaptability and resilience of the business model.

SAFE HARBOUR AND CAUTIONARY STATEMENT

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Important factors that could make a difference to the Company's operations include our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, allocations of funds by the Governments in the healthcare sector, increasing competition and the conditions of our customers, suppliers and the pharmaceutical industry, global and Indian demand-supply conditions finished goods prices, cyclical demand and pricing in the Company's principal markets, changes in government laws and regulations, tax regimes, our provisioning policies, economic and political developments within India and the countries within which the Company conducts businesses and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

- **Mr. Amit Bakshi**
  Chairperson & Managing Director
- **Mr. Krishnakumar Vaidyanathan**
  Executive Director & COO
- **Mr. Inderjeet Singh Negi**
  Executive Director
- **Mr. Kaushal Shah**
  Executive Director
- **Mrs. Vijaya Sampath**
  Independent Director
- **Ms. Kalpana Unadkat**
  Independent Director
- **Mr. Prashant Gupta**
  Independent Director
- **Mr. Rajeev Dalal**
  Independent Director

AUDIT COMMITTEE

- **Mrs. Vijaya Sampath**
  Chairperson
- **Ms. Kalpana Unadkat**
  Member
- **Mr. Prashant Gupta**
  Member
- **Mr. Krishnakumar Vaidyanathan**
  Member

BANKERS

- **AXIS Bank Limited**
- **HDFC Bank Limited**
- **State Bank of India**

CHIEF FINANCIAL OFFICER

- **Mr. Sachin Shah**

COMPANY SECRETARY

- **Mr. Milind Talegaonkar**

STATUTORY AUDITORS

- **M/s. Deloitte Haskins & Sells LLP**

INTERNAL AUDITORS

- **M/s. Agrawal Dhand Motwani & Co.**

COST AUDITORS

- **M/s. Kiran J Mehta & Co.**

SECRETERIAL AUDITORS

- **M/s Ravi Kapoor & Associates**

REGISTERED OFFICE

- 8th Floor, Commerce House-IV, Prahladnagar, Ahmedabad-380 015, Gujarat, India

MANUFACTURING FACILITY

- Plot Nos. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India

REGISTRAR & SHARE TRANSFER AGENT

- Link Intime India Private Limited C - 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

BOARD OF DIRECTORS

MR. AMIT BAKSHI

CHAIRMAN AND MANAGING DIRECTOR

Mr. Amit Bakshi has been on the Board of Eris since inception and serves as Chairman and Managing Director. He has over two decades of experience in the Indian pharmaceutical industry across multiple Indian and MNC pharmaceutical companies. He takes responsibility for setting the strategic direction for Eris as well as maintaining high governance standards. He oversees the company's business with special focus on enhancing patient engagement and architecting total healthcare solutions. Mr. Bakshi has been recognized as 'Entrepreneur of the Year, 2013' by Ernst & Young LLP.

MR. KRISHNAKUMAR VAIDYANATHAN

EXECUTIVE DIRECTOR & CHIEF OPERATING OFFICER

Mr. Krishnakumar in his role as Chief Operating Officer oversees the business operations of the company. He has over two decades of professional experience across Lifesciences, Corporate Finance and Management Consulting. His core areas of expertise include Strategic Planning, Business Building, Mergers & Acquisitions, Corporate Finance and Operational Excellence. Prior to joining Eris, Mr. Krishnakumar was a Corporate Finance Partner with Ernst & Young LLP for 9 years. Prior to Ernst & Young, Krishnakumar has worked with Avendus Capital, Piramal Pharma Solutions and McKinsey & Company. Mr. Krishnakumar holds an MBA in Finance from IIM Calcutta and a B.Tech from VJTI, Bombay University.

MR. INDERJEET SINGH NEGI

EXECUTIVE DIRECTOR

Mr. Inderjeet Singh Negi has been on the Board of Eris since inception and serves in the capacity of Executive Director. He is responsible for driving supply chain and sales administration in line with the overall strategic direction of the company. Mr. Negi has worked with several pharmaceutical companies including Sun Pharma and Intas Pharma in various capacities and has more than 20 years' cumulative professional experience. Mr. Negi is a science graduate from HNB Garhwal university.

MR. KAUSHAL KAMLESH SHAH

EXECUTIVE DIRECTOR

Mr. Kaushal Kamlesh Shah has been associated with Eris since inception and serves in the capacity of Executive Director. He is responsible for driving manufacturing, strategic sourcing and distribution operations. He has 22 years' experience in the pharmaceutical industry. Mr. Shah holds a bachelor's degree in commerce from Gujarat University and a post graduate diploma in management from Som-Lalit Institute of Management Studies.

MRS. VIJAYA SAMPATH

INDEPENDENT DIRECTOR

Mrs. Vijaya Sampath is an Independent Director at Eris. She brings 38 years of experience in the legal profession and is proficient in corporate law, joint ventures, mergers and acquisitions and commercial contracts. Ms. Sampath has previously worked with the Indian Aluminium Company. She was also associated with Bharti Airtel Limited for eight years as Group General Counsel and Company Secretary. She holds a bachelor's degree in Arts from Madras University and a law degree from Mysore University. She is also a fellow member of the Institute of Company Secretaries of India. She has attended the Advanced Management Program of Harvard Business School, USA and a program on Managing Strategic Alliances conducted by the Wharton School, University of Pennsylvania, USA.

MS. KALPANA UNADKAT

INDEPENDENT DIRECTOR

Ms. Kalpana Unadkat is an Independent Director at Eris. She is a qualified Solicitor registered with the Bombay Incorporated Law Society and the Law Society of England & Wales. She brings over two decades of legal experience and is presently a Partner with Khaitan & Co. Prior to Khaitan & Co., Ms. Unadkat spent 10 years with the London offices of Ashurst LLP. She is a well-recognised expert on M&A and Corporate Governance principles. She also advises on board effectiveness, particularly around issues of corporate governance, leadership, organisational climate, and decision-making. In this regard, she has led several workshops and trained more than 300 directors with a comprehensive approach to director development. She is also an independent director on the board of public companies (listed and unlisted). She is a co-author of the research "Women on Board" and has been frequently quoted in the media on corporate governance and M&A deals in India.

MR. PRASHANT GUPTA

INDEPENDENT DIRECTOR

Mr. Prashant Gupta, is an Independent Director at Eris. He is a Partner in the corporate law department of Shardul Amarchand Mangaldas & Co. Mr. Gupta has been recognized by Who's Who Legal, Chambers Asia, Indian Lawyer 250, Legal500 and other leading industry publications as one of the leading capital markets practitioners in India. He was selected by the Indian Business Law Journal as one of the top 100 lawyers in India in 2016 and 2017. Mr. Gupta received his Bachelor of Arts and Master of Arts in Jurisprudence from the University of Oxford, England, and a Bachelor's degree in Commerce from the Shri Ram College of Commerce, University of Delhi. He is member of the Bar Council of Delhi and State Bar of California.

MR. RAJEEV DALAL

INDEPENDENT DIRECTOR

Mr. Rajeev Dalal is an Independent Director at Eris. He brings over 35 years of experience in corporate finance covering 100+ M&A (domestic and cross border) transactions and Private Equity deals in sectors such as Pharma, Chemicals, FMCG, Metals & Mining, Industrials and Financial Services. Mr. Dalal was a corporate finance Partner at Ernst & Young LLP since 2002, consequent to the merger of Arthur Andersen with Ernst Young in India. Prior to that in 1990, Rajeev co-founded Ind Global Finance Trust (IGFT), which was acquired by Arthur Andersen in the year 2000. Prior to co-founding IGFT, Rajeev worked with HSBC and JM Financial in their investment banking divisions. Mr. Dalal is a member of the Institute of Company Secretaries of India. He is also a Law and Commerce Graduate from Bombay University.

DIRECTORS' REPORT

Dear Members,

The Board of Directors have pleasure in presenting their 5th Annual Report (Post – IPO) on the business and operations of the Company together with the Audited Financial Statements (standalone and consolidated) for the year ended March 31, 2021.

1. FINANCIAL RESULTS:

During the year under review, the performance of your Company was as under:

(₹. In Million)

Particulars	Standalone		Consolidated	
	Year ended 31st March, 2021	Year ended 31st March, 2020	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from Operations	11,088.34	10,202.31	12,118.63	10,740.59
Other Income	99.98	147.28	87.08	153.96
Total Revenue	11,188.32	10,349.59	12,205.71	10,894.55
Operating EBITDA	4,173.14	3,556.00	4,305.76	3683.74
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	4,273.12	3,703.28	4,392.84	3,837.70
Less: Depreciation/ Amortisation/ Impairment	376.40	448.82	429.85	502.58
Profit /loss before Finance Costs, Exceptional items and Tax Expense	3896.72	3,254.46	3,962.99	3,335.12
Less: Finance Costs	7.78	18.54	18.02	21.62
Profit /loss before Exceptional items and Tax Expense	3,888.94	3,235.92	3,944.97	3,313.50
Add/(less): Exceptional items	0	0	0	0
Profit/(Loss) before taxation	**3,888.94**	**3,235.92**	**3,944.97**	**3,313.50**
Less : Tax Expenses (Current & Deferred)	382.89	323.18	393.62	348.43
Profit /loss for the year	3,506.05	2,912.74	3,551.35	2,965.07
Profit after tax before share of profit/(loss) of minority interest	**3,506.05**	**2,912.74**	**3,551.35**	**2,965.07**
Share of profit/(loss) attributable to Minority Interest	0	0	0	0.10
Profit for the year attributable to the shareholders of the company	**3,506.05**	**2,912.74**	**3,551.35**	**2,964.97**
Other Comprehensive Income/(Loss)	(12.80)	(11.71)	(14.89)	(12.18)
Total Comprehensive Income/Loss	3,493.25	2,901.03	3,536.46	2,952.89
Owners of the company	3,493.25	2,901.03	3,536.46	2,952.79
Add : Balance B/F from the previous year	12,830.93	11,390.11	12,713.46	11,335.22
Less: Transfer to Debenture Redemption Reserve, If any	0	0	0	0
Less: Transfer to Reserves	0	0	0	(83.82)
Less: Interim dividend	(746.79)	(469.79)	(746.79)	(469.79)
Less: Utilised for buy back of shares	0	(990.42)	0	(990.42)
Add: Acquisition of Minority stake	0	0	0	(30.52)
Balance Profit / (Loss) C/F to the next year	**15,577.39**	**12,830.93**	**15,503.13**	**12,713.46**

2. STATE OF AFFAIRS (Standalone):

- The gross sales and other incomes for the financial year under review was Rs. 11,188.32 million as against Rs. 10,349.59 million in the previous year, recording a growth of 8.10 %.
- The profit before tax was Rs. 3,888.94 million for the financial year under review as against Rs. 3,235.92 million for the previous financial year, registering an increase of 20.18 %.
- The profit after tax for the financial year under review was Rs. 3,506.05 million as against Rs. 2,912.74 million for the previous financial year, registering an increase of 20.37 %.

3. DIVIDEND:

During the year under review, the company had paid Rs. 5.50 per equity share as interim dividend for the Financial Year 2020-21. No Final dividend was recommended by the Board of directors (during the previous year the company had paid Rs. 2.87 per equity share as interim dividend with no final dividend).

The Company has adopted the Dividend Distribution Policy and the said policy appears at "Annexure 1" and is also available on the website of the Company at http://eris.co.in/policies.

4. CAPITAL EXPENDITURE (Standalone):

As on March 31st, 2021, the gross fixed assets (tangible and intangible) stood at Rs. 7,168.75 million (previous year Rs. 6,956.52 million) and the net fixed assets (tangible and intangible), at Rs. 5,843.23 million (previous year Rs. 6,006.40 million). Capital expenditure during the year amounted to Rs. 256.16 million (previous year Rs. 1,487.21 million). During the year under review, the Company has not paid any amount for business acquisition / consolidation of holding (previous year Rs. 213.73 million).

5. AMOUNT TO BE CARRIED TO RESERVES:

The Company has not transferred any amount to the reserves during the year under review. (previous year: Rs. 1.74 Million on account of Buy Back of securities)

6. CHANGES IN CAPITAL STRUCTURE:

There is no change in the capital structure of the Company during the year under review.

7. STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells LLP, having Firm's Registration No. 117366W/ W-100018, Statutory Auditors of the Company, were appointed at the 10th Annual General Meeting (AGM) held on 25.10.2016 and will complete their present term at the end of the ensuing 15th AGM of the Company.

The Auditor's Report for the financial year ended 31st March, 2021 does not contain any qualification, adverse remark, reservation or disclaimer and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board of Directors, on the recommendation of the Audit Committee, in their meeting held on 13th May, 2021, have proposed the appointment of M/s. Deloitte Haskins & Sells LLP, having Firm's Registration No. 117366W/ W-100018 as the Statutory Auditors of the Company for the period of next 4 years, subject to approval of the Shareholders at the ensuing Annual General Meeting.

8. COST AUDITORS:

M/s Kiran J Mehta & Co., Cost Accountants have been duly reappointed as the Cost Auditors for the financial year 2021-22. The cost records as specified by the central government under subsection (1) of section 148 of the Companies Act, 2013, are made and maintained by the Company.

9. SECRETARIAL AUDIT REPORT:

M/s. Ravi Kapoor & Associates, Practicing Company Secretaries, Ahmedabad have been duly re-appointed as the Secretarial Auditor of the Company for the financial year 2021-22. The Secretarial Audit Report for the financial year 2020-21 appears at "Annexure 2" to this report. The board desires to explain that a delay of eleven days in the submission of disclosure of Related party transactions on Consolidated basis for the quarter ended 30th September, 2020, as required under Regulation 23(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations Directors, as brought out in the Secretarial Audit Report occurred on account of prevailing pandemic conditions which delayed the gathering of applicable data, its verification, and eventual filing. The board desires to additionally explain the other observation in the Secretarial Auditors Report w.r.t the delay of 25 days in the making of appointment of Non-executive and Independent Directors of the Company. As the said compliance requires numerous steps aimed at finding meritorious persons who could do full justice to the role, your company conscientiously avoided undue rush in the matter so as to avoid the possibility of any wrong selections which could have been detrimental to the governance framework enshrined in the SEBI Listing Regulations and Company laws.

10. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls in order to ensure that the financial statements of the Company depict a true and fair position of the business of the Company. The Company continuously monitors and looks for possible gaps in its processes and it devices and adopts improved controls wherever necessary.

11. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, appears at "Annexure 3" to this report.

12. SUBSIDIARY COMPANIES/JOINT VENTURE/ ASSOCIATE COMPANY:

As on March 31, 2021, the Company has (3) three wholly owned and (1) one other than wholly owned subsidiaries. The Board of Directors reviewed the affairs of all the subsidiaries.

During the year under review, two Companies namely Aprica Healthcare Limited and Eris Therapeutics Private Limited ceased to be subsidiaries of the Company. The details of the same are given in point no. 26.1 of the standalone financial statements.

Eris Healthcare Private Limited, wholly owned subsidiary of the Company, had incorporated a subsidiary company "Eris Pharmaceuticals Private Limited" on 2nd June, 2020.

The Company has formulated a policy for determining material subsidiaries. The Policy may be accessed at http://eris.co.in/policies.

13. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANIES /JOINT VENTURE/ ASSOCIATE COMPANY:

The Board has reviewed the affairs of its subsidiary companies. Pursuant to Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries/ joint ventures/ associate companies of the Company, bringing out the highlights of their performance, appears in Form AOC–1 at "Annexure 4" to this report. Details pertaining to the subsidiaries of the Company are provided in the notes to the Consolidated Financial Statements.

The Audited Financial Statements of Company's subsidiaries for the financial year ended 31st March, 2021 are available on the web link https://eris.co.in/financial-statements-of-subsidiaries/ and the same are also available for inspection at the Registered Office of the Company as per the details mentioned in the notice of the 15th Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same subject to compliance of the applicable provisions of the Companies Act, 2013.

14. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements have been prepared pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014 as also the Indian Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI), in this regard. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries as approved by their respective Board of Directors.

15. ANNUAL RETURN (MGT-9):

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2021 is available on the Company's website at https://eris.co.in/ under Investor tab. Further, the extract of the Annual Return appears at "Annexure 5" to this Report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee.

The details of the CSR Committee composition, meetings and the attendance of the Members at the meetings along with other details appear in the Report on Corporate Governance which forms part of this Annual Report.

The annual report on CSR in the prescribed form appears at "Annexure 6" to this Report. The content of the CSR Policy is available on the website of the Company at http://eris.co.in/policies.

17. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report, highlighting the important aspects of the business of the Company appears separately in the Annual Report.

18. CORPORATE GOVERNANCE:

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance and the Practicing Company Secretary's Certificate confirming compliances thereof appears at "Annexure 7" to this report.

19. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social and governance perspective appears separately in the Annual Report.

20. DIRECTORS & KEY MANAGERIAL PERSONNELS:

The composition of the Board of Directors underwent changes set out below:

During the year under review:

Mr. Inderjeet Singh Negi, Director of the Company, being longest in office, retired by rotation and was reappointed as a Director at the 14th Annual General Meeting held on 29th September, 2020.

Mr. Himanshu Shah, had resigned from the Directorship of the Company on 31st May, 2020.

Mr. Kaushal Shah has been appointed as an additional executive director on 4th August, 2020 and with the approval of Members in AGM he was designated as a whole time director of the Company w.e.f 1st October, 2020, for a period of 5 years.

Dr. Kirit Shelat, resigned from the Directorship of the Company on 11th September, 2020.

Mr. Rajeev Dalal was appointed as an additional independent director of the company w.e.f. 19th December, 2020.

Ms. Kalpana Unadkat was appointed as an additional independent director of the company w.e.f. 05th January, 2021.

Mr. Krishnakumar Vaidyanathan, was appointed as an Additional Director-Executive of the Company w.e.f. 20th December, 2020.

Subsequent changes in composition till the date of this Report:

Mr. Kaushal Shah, Whole-time Director of the Company, being longest in office, retires by rotation and being eligible, offers himself for reappointment as a Director at the ensuing Annual General Meeting.

Pursuant to section 160 of the Companies Act, 2013, the Company has received recommendations from the Nomination and remuneration committee for proposing, the re-appointment of Mrs. Vijaya Sampath as an Independent Director for another term of five years from 3rd February, 2022, the appointment Mr. Rajeev Dalal as an Independent Director for a term of five years w.e.f 19th December, 2020, the appointment Ms. Kalpana Unadkat as an Independent Director for a term of five years w.e.f 05th January, 2021 and the appointment Mr. Krishnakumar Vaidyanathan as a Whole time Director of the Company for a term of five years w.e.f the date of Annual General Meeting of the Company.

21. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, the Board of Directors of the Company duly met 6 (Six) times. The applicable details of these Board meetings including the attendance of the Directors at those meetings are given in the report on Corporate Governance which forms part of the Annual Report.

22. COMMITTEES OF THE BOARD:

The Company has the following 6 (six) Board Committees which have been

established in compliance with the requirement of applicable law(s) and statute(s) and function accordingly:

- Audit Committee
- Nomination and remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Executive Committee
- Risk Management Committee

The details with respect to the composition, terms of reference, number of meetings held and other disclosures required to be made in the Board's report etc. of these Committees are given in the report on Corporate Governance which forms part of the Annual Report.

23. EMPLOYEES' STOCK OPTION SCHEME:

The 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") was approved by the shareholders at their Extra Ordinary General Meeting held on 3rd February, 2017 and subsequently in the Eleventh Annual General Meeting held on 29th September, 2017, the Shareholders duly ratified the said Plan. The details as required to be disclosed under the Companies Act, 2013, read with the rules made thereunder and SEBI (Share Based Employee Benefits) Regulations, 2014 [SEBI SBEB, 2014] appears at Annexure 8 and are available on the Company's website at: https://eris.co.in/corporate-announcements/

The objects of the Scheme are, inter alia, to provide an incentive to reward and motivate employees and enable them to participate in the long-term financial growth of the Company. The Company has granted stock options to the eligible employees. The options will be exercisable into equity shares as per the terms and conditions as stipulated in the Plan.

The Plan is in compliance with the SEBI SBEB, 2014. There were no material changes in the Plan. The certificate from the Statutory Auditors of the Company certifying that the Scheme is implemented in accordance with the SBEB Regulations and the resolutions passed by the members in this regard shall be available at the Annual General Meeting for inspection by members.

24. CONTRACTS WITH RELATED PARTIES:

Related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. The information on transactions with related parties, compiled in Form AOC-2, appears at "Annexure 9" to this report.

25. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE OR SECURITY PROVIDED BY THE COMPANY:

Details of loans, guarantees and investments etc covered under section 186 of the Companies Act, 2013 appear in the notes to the financial statements.

26. PROTECTION OF WOMEN AT WORKPLACE:

No complaints pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been received during the year under review. Further, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. RISK MANAGEMENT:

The Board of Directors has constituted a Risk Management Committee which is entrusted with the responsibility of Overseeing the implementation /Monitoring of Risk Management Plan/Policy, Cyber Securities Risk, Periodically reviewing and evaluating the Risk Management Plan, etc. Further the Company has duly formulated and implemented a risk management plan for enabling the Company to identify the elements of risks as contemplated by the provisions of Section 134(3)(n).

28. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM:

The Company provides an avenue to the Directors and Employees of the Company to report without fear any instance of actual or suspected violation, wrong doings or any illegal or unethical or improper practice which may adversely impact the image and / or the financials of the Company. For this, the Company has in place a Vigil Mechanism Policy (Whistle Blower Policy) for Directors and employees to report genuine concerns.

This provides for adequate safeguards against victimization of employees and Directors who wish to use the vigil mechanism to bring any wrong deed(s) to the notice of the Company.

During the year under review, the implementation of the vigil mechanism has been properly and regularly monitored by the Audit Committee. However, no complaints or instances in this regard have been reported. The said policy is available on the Company's Website at http://eris.co.in/policies.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the profit of the Company for that period;
- They had taken proper and sufficient 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;
- They had prepared the annual accounts on a going concern basis;
- They had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating efficiently; and
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

30. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company has in place a policy on remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees which appears at "Annexure 10" to this report.

The Company has placed the said policy on the website of the company at http://eris.co.in/policies.

The details of parameters adopted for evaluating the performance of Non-Executive Directors appears in the Report on Corporate Governance which forms part of this Annual Report.

31. MANNER IN WHICH FORMAL ANNUAL EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS HAS BEEN CARRIED OUT:

The Board adopted the evaluation performed by the Independent Directors on the Board's performance carried out in accordance with the requirements of LODR Reg. 25(4)(a) which took into account factors like 'ability to create value for its shareholders while ensuring legal compliances' and 'corporate governance norms'. Satisfaction has been recorded about the performance based on the aforesaid criteria. The performance of the Committees was adjudged based on the criteria approved by the Nomination and remuneration committee of the Company. The Board records its satisfaction about the performance of all the committees of the Board. The performance evaluation of Chairperson and Managing Director of the Company has been carried out by the Independent Directors in accordance with LODR Reg. 25(4)(b) and stands duly adopted by the Board. The performance evaluation of non-independent directors has been carried out by the Independent Directors in accordance with LODR Reg. 25(4)(a) and it has been likewise adopted by the Board. The remaining members of the Board were evaluated at the Board Meetings based on parameters adopted by the Nomination and Remuneration Committee.

32. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

33. DECLARATION OF INDEPENDENCE:

The Company has received necessary declarations from each of the Independent Directors to the effect that they respectively meet the criteria of independence as stipulated under Section 149 (6) of the Companies Act, 2013. The Board has assessed the veracity of the same to their satisfaction. The Board of Directors have satisfied themselves about the integrity, expertise and experience (including the proficiency) of the independent directors of the Company.

34. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures required pursuant to the provisions of Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and appears at "Annexure 11".

35. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

36. PUBLIC DEPOSITS

The Company has not accepted deposits from the public during the year under review. No deposits were outstanding at the beginning or at the closure of the financial year under review.

37. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters under the Companies Act, 2013, and SEBI Regulations either on account of absence of any transaction or the inapplicability of the provisions:

- Reporting of fraud(s) by the Auditors within the meaning of Section 143(12) of the Companies Act, 2013.
- Disclosure pursuant to section 43(1) read with Rule 4(4) of Companies (share capital and debenture) rules, 2014 regarding issue of equity shares with differential rights.
- Details of any scheme for providing money for the purchase of shares of the Company by employees for the benefit of employees.
- Issue of shares (including sweat equity shares) to the employees of the Company under any scheme save and except Employees' Stock Options Plan referred to in this Report.
- Receipt of any commission from the Company or remuneration from any of its subsidiaries by the Managing Director or the Wholetime Directors of the Company as per section 197(14).
- Revision in the financial statements (apart from regrouping adjustments) or directors' report in any of the three preceding financials years.
- Regulation 32 (4) of SEBI LODR Regulations regarding explanation for the variation in the utilisation of money raised by public issue.
- Change in the nature of business as per rule 8(5)(ii) of the Companies Account Rule, 2014.
- Significant or material orders passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

38. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from all the stakeholders during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Amit Bakshi
(DIN: 01250925)
Chairperson & Managing Director
Ahmedabad, 13th May, 2021

Annexure 1

Dividend Distribution Policy

INTRODUCTION

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Eris Lifesciences Limited ('Company'), has formulated this 'DIVIDEND DISTRIBUTION POLICY' ('Policy').

The Board of Directors ('Board') of the Company has adopted this policy in their meeting held on 12th February, 2018.

OBJECTIVE

The Policy has been formulated:

- To provide guidance for making a decision for declaration of dividend by the Company so as to seek a balance in the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth.
- Convey the above to the stakeholders for transparency and fair expectations.

FACTORS THAT SHALL BE CONSIDERED FOR DECLARATION OF DIVIDEND

(i) Financial parameters and internal factors

- Net profit earned by the Company
- Profit available for distribution (profit of previous years available)
- Liquidity requirement of the Company
- Any current project requirement –whether business related or acquisition/ merger/ joint venture
- Earnings Per Share (EPS)
- Working capital requirements
- Capital expenditure requirement
- Business expansion and growth
- Likelihood of crystallization of contingent liabilities, if any
- Additional investment in subsidiaries and associates of the Company
- Upgradation of technology and physical infrastructure
- Creation of contingency fund
- Acquisition of brands and business
- Cost of Borrowing
- Past dividend payout ratio/ trends
- Any other factor as thought fit by the Board

(ii) External factors

- Economic environment
- Capital markets
- Global conditions
- Dividend payout scenario in the industry
- Legal and regulatory provisions and guidelines
- Any events such as strikes and lock outs

THE CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY NOT EXPECT DIVIDEND

The Company shall not declare or distribute any dividend wherein:

- Funds are required for On-going / proposed expansion plan;
- Funds are required for On-going/proposed project requiring large capital outflow;
- Requirement of high working capital;
- Re-payment of outstanding loan, if so decided by the Board;
- Loss/ inadequate profit is made by the Company;
- Covenants with lenders/ Debenture trustees, if any, providing anything to the contrary
- The Board decides so, after analyzing the circumstances

POLICY AS TO HOW THE RETAINED EARNINGS SHALL BE UTILIZED

The Board may retain its earnings in order to make better use of the available funds and increase the value for the stakeholders in the long run. The Board may consider the following factors while deciding the amount of earnings that need to be retained:

- To meet working capital requirement(s)
- Market expansion plan(s)
- Product expansion plan(s)
- Increase in production capacity(s)
- Modernization plan(s)
- Diversification of business
- To fund new acquisitions, mergers & investments
- To maintain adequate liquidity levels
- Replacement of capital assets
- Re-payment of outstanding loan, if so decided by the Board
- Creation of reserves/ statutory reserves in accordance with law
- Such other criteria as the Board may deem fit from time to time.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

EXPECTED RATE OF DIVIDEND:

The Board of the Directors will endeavour to declare a dividend of not less than 20 percent of the current profits in every Financial Year.

PROCEDURE FOR DIVIDEND PAYOUT

The Dividend shall be paid out following the procedure in accordance with the provisions of the Companies Act, 2013, SS-3 issued by ICSI, SEBI Guidelines and any other applicable law.

DISCLOSURE

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company: http://eris.co.in/

POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Board may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Dividend Distribution Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

For Eris Lifesciences Limited
Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May, 2021

Annexure 2

Form No. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members
Eris Lifesciences Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eris Lifesciences 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 my opinion thereon.

Based on our online verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company due to current COVID pandemic situation 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, during the audit period covering the financial year ended on 31st March, 2021 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 on 31st March, 2021 and verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of their applicability to the Company;
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) Regulation, 2015
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above ***except in following cases:***

1. Company has made delay for a period of 11 days in submission of disclosure of Related Party Transactions on consolidated basis for the quarter ended on 30th September, 2020 as per Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company has paid necessary fines with BSE Ltd. and National Stock Exchange of India Limited in respect of the notices received from the stock exchanges for such delay in submission of compliance. However, Company has filed an application for waiver of fine with both the stock exchanges in above matter.

2. Company has made delay for a period of 25 days while making new appointment of Non-Executive and Independent Directors of the Company and to that extent Company has not complied with the requirement of half of the Board should be Non-Executive and Independent Directors in Board composition from the period 11.12.2020 to 18.12.2020 and for the period 20.12.2020 to 04.01.2021 in pursuance to Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company has also made delay for a period of 8 days in compliance of requirement of having at least six Directors from the period 11.12.2020 to 18.12.2020 in pursuance to Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company has paid necessary fines with BSE Ltd. and National Stock Exchange of India Limited in respect of the notices received from the stock exchanges for above delay in compliance of provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, Company has filed an application for waiver of fine with both the stock exchanges in above matter.

We further report that:

i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except for the non-compliance in composition of board for the period as mentioned above during the year.

ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 13th May, 2021

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587C000289709

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

Annexure A

To,
The Members
Eris Lifesciences Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 13th May, 2021

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587C000289709

Annexure 3

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

Conservation of energy:

Steps taken for conservation of energy:

- Power consumption monitoring is regularly done at the manufacturing facility, resulting in optimum energy consumption and conservation.
- Use of LED lights and human sensor switches to save electricity has been adopted.
- Regulation in usage of office lighting.
- Regular monitoring of high energy consumption areas and taking appropriate measures as and when required. For instance optimisation of compressed air generation process, thermal insulation of hot water tanks and steam lines, preventive/periodic maintenance of HVAC plants and utility equipment.
- All efforts are made to use more natural lights in the premises to optimise the consumption of energy.

The steps taken by the company for utilising alternate sources of energy:

- The Company evaluates all possibilities of utilizing alternate sources of energy in its operations, wherever possible.

The capital investment on energy conservation equipment:

- During the year, the company has not made any capital investment on energy conservation equipment.

Technology absorption:

- Company regularly monitors the technical advancements which can help in reducing cost and make the existing processes more eco-friendly and result in minimization of environmental hazards.
- The benefits derived from these efforts would be product improvement, cost reduction, and sustainable development.
- No technology was imported by the Company during the year under review.
- During the year, the company has not made any expenditure on research and development related to technology absorption.

Foreign Exchange Earnings and Outgo details are as follows:

(₹. In Million)

Sr. No.	Particulars	2020-21	2019-20
1	Foreign Exchange Earnings	Nil	Nil
2	Foreign Exchange Outgo	200.96	982.73

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May, 2021

Annexure 4

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in million)

Name of the subsidiary	Kinedex Healthcare Private Limited	Aprica Healthcare Limited (previously known as UTH Healthcare Limited)	Eris Healthcare Private Limited (EHPL)	Eris Pharmaceuticals Private Limited (incorporated on 2nd June 2020)
The date since when subsidiary was Acquired	23.11.2016	01.10.2017	01.12.2017	02.06.2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A	02-06-2020 to 31-03-2021
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A	N.A	N.A	N.A.
Share capital	1.83	73.45	43.33	0.1
Reserves and surplus	13.43	(118.15)	469.26	(0.05)
Total assets	24.81	318.39	1063.26	0.26
Total Liabilities	9.55	113.09	520.67	0.21
Investments	-	0.02	-	-
Turnover	0.61	550.28	752.17	-
Profit before taxation	(1.51)	115.48	(32.77)	(0.05)
Provision for taxation	(4.85)	33.31	(8.50)	-
Profit after taxation	3.34	82.17	(24.27)	(0.05)
Proposed Dividend	Nil	Nil	Nil	Nil
Extent of shareholding (in percentage)	100 %	100 %	100 %	76 % held by EHPL

Part B Associates and Joint Ventures

	Name of Associates or Joint Ventures	There are no associates or joint ventures of the Company during the year.
1.	Latest audited Balance Sheet Date	N.A
2.	Date on which the Associate or Joint Venture was associated or acquired	N.A
3.	Shares of Associate or Joint Ventures held by the company on the year end	
	a. Numbers	N.A
	b. Amount of Investment in Associates or Joint Venture	N.A
	c. Extent of Holding (in percentage)	N.A
4.	Description of how there is significant influence	N.A
5.	Reason why the associate/joint venture is not consolidated	N.A
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A
7.	Profit or Loss for the year	
	i. Considered in Consolidation	N.A
	ii. Not Considered in Consolidation	N.A

- There are no subsidiaries or associates or joint ventures which are yet to commence operations.
- There are no subsidiaries or associates or joint ventures which have been liquidated or sold during the year.

For Eris Lifesciences Limited

Amit Bakshi
Chairperson & Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No-A26493

Ahmedabad, 13th May, 2021

Annexure 5

Form MGT-9

EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2021

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	**CIN**	L24232GJ2007PLC049867
2	Registration Date	25TH JANUARY, 2007
3	Name of the Company	ERIS LIFESCIENCES LIMITED
4	Category/Sub-category of the Company	PUBLIC COMPANY LIMITED BY SHARES NON- GOVERNMENT COMPANY
5	Address of the Registered office & contact details	8TH FLOOR, COMMERCE HOUSE- IV, PRAHLADNAGAR 100 FT ROAD, AHMEDABAD - 380015 (T): 079-30451000
6	Email address	complianceofficer@erislifesciences.com
7	Name of the Police Station having jurisdiction where the registered office is situated	ANAND NAGAR POLICE STATION
8	Address for correspondence, if different from address of registered office:	7TH FLOOR, COMMERCE HOUSE- IV, PRAHLADNAGAR 100 FT ROAD, AHMEDABAD – 380015 (T): 079-3045 1000
9	Whether shares listed on recognized Stock Exchange(s) If yes, details of stock exchanges where shares are listed	YES SN — Stock Exchange Name — Code 1. BSE Limited — 540596 2. National Stock Exchange of India Limited — ERIS
10	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED C – 101, 247 PARK, L.B.S.MARG, VIKHROLI (WEST), MUMBAI – 400 083 (T): 91 22 49186000

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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% of total turnover of the company
1	PHARMACEUTICAL	2100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –SUBSIDIARY COMPANIES

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	**APRICA HEALTHCARE LIMITED** (Previously Known as UTH Healthcare Limited) Vision 2020, SF-209, 150ft Ring Road, Nr. Lijjat Papad, PLT-3-4, Rajkot Rajkot GJ 360007 *	U24232GJ2011PLC112374	Subsidiary	100%	2(87)
2	**KINEDEX HEALTHCARE PRIVATE LIMITED** Vision 2020, SF-209, 150ft Ring Road, Nr. Lijjat Papad, PLT-3-4, Rajkot Rajkot GJ 360007 *	U51397GJ2002PTC112851	Subsidiary	100%	2(87)

3	**ERIS HEALTHCARE PRIVATE LIMITED** 6th Floor, Commerce House - IV, Nr. Prahlad Nagar, 100ft. Road, Ahmedabad GJ 380015 IN	U24211GJ2013PTC113419	Subsidiary	100%	2(87)
4	**ERIS PHARMACEUTICALS PRIVATE LIMITED** E-36, Panki Industrial Area Site 3 Kanpur Kanpur UP 208022 IN	U33100UP2020PTC128964	Subsidiary	76%	2(87)

* Changed its Registered office from Vision 20-20, SF-209, 150ft Ring Road, Nr. Lijjat Papad, PLT-3-4 Rajkot Rajkot GJ 360007 to B-A,4TH/F-04, Safal Profitair, Nr. Krishna Bungalows 100 ft. Road, Prahladnagar, Vejalpur Ahmedabad GJ 380015 IN w.e.f. 1st May, 2021.

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

I Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2020				No. of Shares held at the end of the year i.e 31.03.2021				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ ~~HUF~~	7,54,31,423	-	7,54,31,423	55.55	7,35,03,934	-	7,35,03,934	54.13	(1.42)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other Non Public & Non Promoter	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	**7,54,31,423**	**-**	**7,54,31,423**	**55.55**	**7,35,03,934**	**-**	**7,35,03,934**	**54.13**	**(1.42)**
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks/FI	-	-	-	-	-	-	-	-	-
k) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Promoter Shareholding (A)=(A)(1)+ (A)(2)	**7,54,31,423**	**-**	**7,54,31,423**	**55.55**	**7,35,03,934**	**-**	**7,35,03,934**	**54.13**	**(1.42)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,42,76,919	-	1,42,76,919	10.51	1,25,32,762	-	1,25,32,762	9.23	(1.28)
b) Banks / FI	2,879	-	2,879	0.00#	3	-	3	0.00#	0.00#
c) Venture Capital Funds	-	-	-	-	-	-	-	-	-
d) Insurance Companies	-	-	-	-	31077	-	31077	0.02	0.02
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Others (Foreign Portfolio Investors)	1,38,35,415	-	1,38,35,415	10.19	1,68,63,735	-	1,68,63,735	12.41	2.23
(Alternate Investment Funds)	8,94,835	-	8,94,835	0.66	5,59,685	-	5,59,685	0.41	(0.24)
Sub-total (B)(1)	**2,90,10,048**	**-**	**2,90,10,048**	**21.36**	**2,99,87,262**	**-**	**2,99,87,262**	**22.08**	**0.7197**
2. Central Government/ State Government/	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
President of India	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3. Non Institutions									
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	14,09,234	9	14,09,243	1.04	23,61,142	9	23,61,151	1.73	0.70
(ii) Individual Shareholders Holding nominal share capital in excess of Rs. 1 lakh	2,90,36,292	-	2,90,36,292	21.38	2,92,44,855	-	2,92,44,855	21.53	0.15
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
Overseas Depositories (holding DR(balancing figure)	-	-	-	-	-	-	-	-	-
Other. Specify	-	-	-	-	-	-	-	-	-
HUF	60,994	-	60,994	0.04	98,323	-	98,323	0.07	0.03
Non Resident Indian	1,07,220	-	1,07,220	0.08	3,67,149	-	3,67,149	0.27	0.19
Independent Director	2,220	-	2,220	0.00#	2,220	-	2,220	0.00#	0.00#
Clearing Members	4,92,709	-	4,92,709	0.36	50,881	-	50,881	0.04	(0.32)
Bodies Corporate	2,30,504	-	2,30,504	0.17	1,64,849	-	1,64,849	0.12	(0.05)
Trusts	-	-	-	-	29	-	29	-	0.00#
Sub-total (B)(3)	**3,13,39,173**	**9**	**3,13,39,182**	**23.08**	**3,22,89,448**	**9**	**3,22,89,457**	**23.78**	**0.70**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**6,03,49,221**	**9**	**6,03,49,230**	**44.45**	**6,22,76,710**	**9**	**6,22,76,719**	**45.87**	**1.42**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**13,57,80,644**	**9**	**13,57,80,653**	**100**	**13,57,80,644**	**9**	**13,57,80,653**	**100**	**-**

II. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of Total shares of Company*	% of shares pledged/ encumbered to total shares	No. of Shares	% of Total shares of Company*	% of shares pledged/ encumbered to total shares	
1	AMIT INDUBHUSAN BAKSHI	54698423	40.28	0.0000	54698423	40.28	0.0000	0.0000
2	RAJENDRAKUMAR RAMBHAI PATEL	5939834	4.37	0.0000	5939834	4.37	0.0000	0.0000
3	INDERJEET SINGH NEGI	5939833	4.37	0.0000	5939833	4.37	0.0000	0.0000
4	KAUSHAL KAMLESHKUMAR SHAH	4468833	3.29	0.0000	4468833	3.29	0.0000	0.0000
5	HIMANSHU JAYANTBHAI SHAH	4384500	3.23	0.0000	2457011	1.81	0.0000	(1.42)
	Total	75431423	55.54	0.0000	73503934	54.12	0.0000	(1.42)

III. Change in Promoter's Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the Company	No. of Shares	% of Total shares of the Company
1.	**MR. AMIT BAKSHI**				
	At the beginning of the year	54698423	40.28	54698423	40.28
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	54698423	40.28	54698423	40.28
2.	**MR. HIMANSHU SHAH**				
	At the beginning of the year	4384500	3.23	4384500	3.23
	Shareholding decrease by sale of shares on 25 Sep, 2020	(1800000)	(1.33)	2584500	1.90
	Shareholding decrease by sale of shares on 16 & 17 Mar, 2021	(110793)	(0.08)	2473707	1.82
	Shareholding decrease by sale of shares on 25 & 26 Mar, 2021	(16696)	(0.01)	2457011	1.81
	At the end of the year	2457011	1.81	2457011	1.81
3.	**MR. INDERJEET SINGH NEGI**				
	At the beginning of the year	5939833	4.37	5939833	4.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	5939833	4.37	5939833	4.37
4.	**MR. RAJENDRA PATEL**				
	At the beginning of the year	5939834	4.37	5939834	4.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	5939834	4.37	5939834	4.37
5.	**MR. KAUSHAL SHAH**				
	At the beginning of the year	4468833	3.29	4468833	3.29
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	4468833	3.29	4468833	3.29

V. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2020		Transactions during the year		Cumulative Shareholding at the end of the year - 2021	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	**RAKESH SHAH**	**15684407**	**11.55**			**15684407**	**11.55**
	AT THE END OF THE YEAR					15684407	11.55
2	**BHIKHALAL CHIMANLAL SHAH**	**8892430**	**6.55**			**8892430**	**6.55**
	AT THE END OF THE YEAR					8892430	6.55
3	**EMERALD INVESTMENTS LIMITED**	**7475780**	**5.51**			**7475780**	**5.51**
	Transfer			10 Apr 2020	1352	7477132	5.51
	AT THE END OF THE YEAR					7477132	5.51
4	**UTI FLEXI CAP FUND**	**3671724**	**2.70**			**3671724**	**2.70**
	Transfer			08 May 2020	69781	3741505	2.75
	Transfer			15 May 2020	54323	3795828	2.79
	Transfer			29 May 2020	10000	3805828	2.80
	Transfer			05 Jun 2020	(54419)	3751409	2.76
	Transfer			03 Jul 2020	15728	3767137	2.77
	Transfer			10 Jul 2020	26231	3793368	2.79
	Transfer			17 Jul 2020	47931	3841299	2.83
	Transfer			24 Jul 2020	122699	3963998	2.92
	Transfer			31 Jul 2020	131128	4095126	3.02
	Transfer			07 Aug 2020	(34190)	4060936	2.99
	Transfer			14 Aug 2020	14780	4075716	3.00
	Transfer			21 Aug 2020	(21971)	4053745	2.98
	Transfer			04 Sep 2020	5298	4059043	2.99
	Transfer			11 Sep 2020	1002	4060045	2.99
	Transfer			18 Sep 2020	52230	4112275	3.03
	Transfer			25 Sep 2020	(9493)	4102782	3.02
	Transfer			30 Sep 2020	(37531)	4065251	2.99
	Transfer			09 Oct 2020	(27193)	4038058	2.97
	Transfer			16 Oct 2020	5000	4043058	2.98
	Transfer			23 Oct 2020	(74098)	3968960	2.92
	Transfer			30 Oct 2020	(50754)	3918206	2.89
	Transfer			13 Nov 2020	(17509)	3900697	2.87
	Transfer			20 Nov 2020	29727	3930424	2.89
	Transfer			27 Nov 2020	2746	3933170	2.89
	Transfer			04 Dec 2020	(40446)	3892724	2.87
	Transfer			11 Dec 2020	68215	3960939	2.92

	Transfer			25 Dec 2020	176262	4137201	3.05
	Transfer			31 Dec 2020	231121	4368322	3.22
	Transfer			08 Jan 2021	154595	4522917	3.33
	Transfer			15 Jan 2021	45278	4568195	3.36
	Transfer			22 Jan 2021	(2929)	4565266	3.36
	Transfer			29 Jan 2021	13000	4578266	3.37
	Transfer			05 Feb 2021	865	4579131	3.37
	Transfer			12 Feb 2021	(3207)	4575924	3.37
	Transfer			19 Feb 2021	(25954)	4549970	3.35
	Transfer			26 Feb 2021	83857	4633827	3.41
	Transfer			05 Mar 2021	15563	4649390	3.42
	Transfer			12 Mar 2021	13000	4662390	3.43
	Transfer			19 Mar 2021	156627	4819017	3.55
	Transfer			26 Mar 2021	127676	4946693	3.64
	AT THE END OF THE YEAR					4946693	3.64
5	**HETAL RASIKLAL SHAH**	**4026613**	**2.97**			**4026613**	**2.97**
	Transfer			05 Jun 2020	(820)	4025793	2.96
	Transfer			07 Aug 2020	(103618)	3922175	2.89
	Transfer			11 Dec 2020	(15874)	3906301	2.88
	Transfer			18 Dec 2020	(9126)	3897175	2.87
	Transfer			25 Dec 2020	(28087)	3869088	2.85
	Transfer			08 Jan 2021	(21913)	3847175	2.83
	Transfer			15 Jan 2021	(19281)	3827894	2.82
	Transfer			22 Jan 2021	(5719)	3822175	2.82
	AT THE END OF THE YEAR					3822175	2.82
6	**ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND**	**4656844**	**3.43**			**4656844**	**3.43**
	Transfer			01 May 2020	(22336)	4634508	3.41
	Transfer			05 Jun 2020	(35424)	4599084	3.39
	Transfer			12 Jun 2020	(7918)	4591166	3.38
	Transfer			19 Jun 2020	(88955)	4502211	3.32
	Transfer			26 Jun 2020	(38422)	4463789	3.29
	Transfer			30 Jun 2020	(4026)	4459763	3.28
	Transfer			03 Jul 2020	(10808)	4448955	3.27
	Transfer			10 Jul 2020	(24652)	4424303	3.26
	Transfer			24 Jul 2020	(462859)	3961444	2.92
	Transfer			31 Jul 2020	(225818)	3735626	2.75
	Transfer			07 Aug 2020	(120000)	3615626	2.66
	Transfer			14 Aug 2020	(54931)	3560695	2.62

	Transfer			21 Aug 2020	(28098)	3532597	2.60
	Transfer			28 Aug 2020	(52716)	3479881	2.56
	Transfer			04 Sep 2020	(3356)	3476525	2.56
	Transfer			11 Sep 2020	(1170)	3475355	2.56
	Transfer			18 Sep 2020	(17857)	3457498	2.55
	Transfer			25 Sep 2020	(12000)	3445498	2.54
	Transfer			06 Nov 2020	5000	3450498	2.54
	Transfer			13 Nov 2020	(10000)	3440498	2.53
	Transfer			20 Nov 2020	(10000)	3430498	2.53
	Transfer			27 Nov 2020	(42152)	3388346	2.50
	Transfer			04 Dec 2020	(17886)	3370460	2.48
	Transfer			11 Dec 2020	(47201)	3323259	2.45
	Transfer			18 Dec 2020	(40542)	3282717	2.42
	Transfer			25 Dec 2020	25000	3307717	2.44
	Transfer			31 Dec 2020	(74500)	3233217	2.38
	Transfer			08 Jan 2021	(81574)	3151643	2.32
	Transfer			15 Jan 2021	(63785)	3087858	2.27
	Transfer			22 Jan 2021	(56100)	3031758	2.23
	Transfer			29 Jan 2021	(4274)	3027484	2.23
	Transfer			12 Feb 2021	(89)	3027395	2.23
	Transfer			26 Feb 2021	(8915)	3018480	2.22
	Transfer			05 Mar 2021	(25512)	2992968	2.20
	Transfer			19 Mar 2021	(44592)	2948376	2.17
	Transfer			26 Mar 2021	(400698)	2547678	1.88
	AT THE END OF THE YEAR					2547678	1.88
7	**AXIS CAPITAL LIMITED**	**0**	**0.00**			**0**	**0.00**
	Transfer			11 Sep 2020	2383	2383	0.00
	Transfer			25 Sep 2020	1997617	2000000	1.47
	Transfer			30 Sep 2020	(1800000)	200000	0.14
	Transfer			19 Mar 2021	2273707	2473707	1.82
	Transfer			31 Mar 2021	(16696)	2457011	1.81
	AT THE END OF THE YEAR					2457011	1.81
8	**FRANKLIN INDIA SMALLER COMPANIES FUND**	**2486330**	**1.83**			**2486330**	**1.83**
	Transfer			24 Apr 2020	(250000)	2236330	1.65
	Transfer			22 May 2020	1120	2237450	1.65
	Transfer			19 Jun 2020	25000	2262450	1.67
	Transfer			10 Jul 2020	100000	2362450	1.74
	Transfer			24 Jul 2020	100000	2462450	1.81
	Transfer			14 Aug 2020	(10814)	2451636	1.81

	Transfer			21 Aug 2020	(736)	2450900	1.80
	Transfer			25 Sep 2020	(98383)	2352517	1.73
	Transfer			30 Sep 2020	(1617)	2350900	1.73
	Transfer			04 Dec 2020	(328171)	2022729	1.49
	Transfer			11 Dec 2020	(121829)	1900900	1.40
	Transfer			25 Dec 2020	(25000)	1875900	1.38
	AT THE END OF THE YEAR					1875900	1.38
9	**FUNDSMITH EMERGING EQUITIES TRUST PLC**	**1485101**	**1.09**			**1485101**	**1.09**
	AT THE END OF THE YEAR					1485101	1.09
10	**L AND T MUTUAL FUND TRUSTEE LTD-L AND T MID CAP FUND**	**321838**	**0.24**			**321838**	**0.24**
	Transfer			03 Apr 2020	455000	776838	0.57
	Transfer			24 Apr 2020	250000	1026838	0.76
	Transfer			22 Jan 2021	201562	1228400	0.90
	AT THE END OF THE YEAR					1228400	0.90
11	**TATA MUTUAL FUND - TATA INDIA TAX SAVINGS FUND**	**1282500**	**0.94**			**1282500**	**0.94**
	Transfer			19 Mar 2021	(210000)	1072500	0.79
	Transfer			26 Mar 2021	(152500)	920000	0.68
	AT THE END OF THE YEAR					920000	0.68
12	**KOTAK EMERGING EQUITY SCHEME**	**1416601**	**1.04**			**1416601**	**1.04**
	Transfer			17 Apr 2020	1500	1418101	1.04
	Transfer			05 Jun 2020	48500	1466601	1.08
	Transfer			07 Aug 2020	105000	1571601	1.16
	Transfer			30 Sep 2020	(2987)	1568614	1.15
	Transfer			20 Nov 2020	(100000)	1468614	1.08
	Transfer			04 Dec 2020	(35000)	1433614	1.06
	Transfer			11 Dec 2020	(3000)	1430614	1.05
	Transfer			18 Dec 2020	(117499)	1313115	0.97
	Transfer			25 Dec 2020	(133788)	1179327	0.87
	Transfer			31 Dec 2020	(51016)	1128311	0.83
	Transfer			08 Jan 2021	(105332)	1022979	0.75
	Transfer			15 Jan 2021	(48767)	974212	0.72
	Transfer			22 Jan 2021	(103114)	871098	0.64
	Transfer			05 Feb 2021	(44652)	826446	0.61
	AT THE END OF THE YEAR					826446	0.61

VI. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of Company	No. of Shares	% of Total shares of Company
1.	**MR. AMIT BAKSHI**				
	At the beginning of the year	54698423	40.28	54698423	40.28
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	54698423	40.28	54698423	40.28
2.	**MR. INDERJEET SINGH NEGI**				
	At the beginning of the year	5939833	4.37	5939833	4.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	5939833	4.37	5939833	4.37
3.	**MRS. VIJAYA SAMPATH**				
	At the beginning of the year	2220	0.00 #	2220	0.00 #
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	2220	0.00 #	2220	0.00 #
4.	**MR. PRASHANT GUPTA**				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
5.	**MR. RAJEEV DALAL (From 19.12.2020)**				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
6.	**MR. KAUSHAL SHAH (From 04.08.2020)**				
	At the beginning of the year	4468833	3.29	4468833	3.29
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	4468833	3.29	4468833	3.29
7.	**MR. KRISHNAKUMAR VAIDYANATHAN (From 20.12.2020)**				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

8.	**MS. KALPANA UNADKAT (From 05.01.2021)**				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
9.	**MR. SACHIN SHAH**				
	At the beginning of the year	15022	0.01	15022	0.01
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	15022	0.01	15022	0.01
10.	**MR. MILIND TALEGAONKAR**				
	At the beginning of the year	1330	0.00 #	1330	0.00 #
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	1330	0.00 #	1330	0.00 #

VII. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. **(Rs. In Million)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VIII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Million)

Sr. No.	Particulars of Remuneration	Name of Managing Director	Name of Whole-time Directors				Total Amount
1.	Gross salary	AMIT BAKSHI*	INDERJEET SINGH NEGI**	HIMANSHU SHAH***	KAUSHAL SHAH****	KRISHNAKUMAR VAIDYANATHAN *****	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26.70	11.59	0.91	4.66	35.65	79.51
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission						
	- as % of profit	-	-	-	-	-	-
	- others, specify...	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-
	Total (A) (1+2+3+4+5)	26.70	11.59	0.91	4.66	35.65	79.51
	Ceiling as per the Act						392.19

* Mr. Amit Bakshi opted to forgo the variable component of his remuneration and part of the salary amounting to Rs. 22.4 million.

** Mr. Inderjeet Negi opted to forgo the part of the salary amounting to Rs. 1.05 million

*** Mr. Himanshu Shah opted to forgo the part of the salary amounting to Rs. 0.91 million and he resigned from the Board w.e.f.31.05.2020.

**** Mr. Kaushal Shah opted to forgo the part of the salary amounting to Rs. 0.58 million

***** The company has paid one time joining bonus to Mr. Krishnakumar Vaidyanathan amounting to Rs. 20 million.

B.	REMUNERATION TO OTHER DIRECTORS: (Rs. In Million)						
Sr. No.	Particulars of Remuneration	Name of other Directors					Total Amount
1	Independent Directors	Mr. Kirit Shelat &	Mrs. Vijaya Sampath	Mr. Prashant Gupta	Mr. Rajeev Dalal	Ms. Kalpana Unadkat	
	Fee for attending board & committee meetings	0.60	1.05	1.05	0.23	0.07	3.00
	Commission	-	0.50	0.50	0.85	0.84	2.69
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.60	1.55	1.55	1.08	0.91	5.69
2.	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board & committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	0.60	1.55	1.55	1.08	0.91	5.69
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						39.22

& Resigned w.e.f. 11.09.2020.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Rs. In Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Milind Talegaonkar	Sachin Shah	Total
			Company Secretary	Chief Financial Officer	
1.	Gross salary	-	3.11	11.10	14.21
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	6651 shares	16628 shares	23279 shares
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	3.11	11.10	14.21

VIV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Due to rounding off.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May, 2021

Annexure 6

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013]

BRIEF OF THE COMPANY'S CSR POLICY:

While the Company continues to expand and grow in its sector of business, it has not lost sight of its commitment to play its role as an enlightened corporate citizen. Corporate Social Responsibility has always been on its agenda.

The Company's focus areas under CSR are:

- Preventive Medical Screening
- Education
- Environment
- Rural & Agricultural Development

The CSR Policy has been put up on the Company's Website and can be accessed through the following link: http://eris.co.in/policies.

THE COMPOSITION OF THE CSR COMMITTEE:

The CSR committee of the Board is responsible for inter alia overseeing the execution of the Company's CSR policy.

The composition of the CSR Committee of the Company as on 31.03.2021 was:

Sr. No.	Name of the Director (and designation in relation to membership of the committee)	Nature of directorship (Executive / Non-executive/ Independent / Non-independent	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Inderjeet Singh Negi – Chairperson	Executive and Non-Independent	1	1
2	Mr. Rajeev Dalal	Non-Executive and Independent	-	-
3	Mr. Kaushal Shah	Executive and Non-Independent	-	-

WEB-LINKS:

Composition of CSR committee: https://eris.co.in/wp-content/uploads/2021/02/Committees-of-the-Board-of-Directors.pdf

CSR Policy / CSR Projects : https://eris.co.in/wp-content/uploads/2020/12/CSR-POLICY.pdf

DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT): Not Applicable

DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. In Million)	Amount required to be set-off for the financial year, if any (Rs. In Million)
1	2020-21	~ 0.29	-
2	2019-20	~ 0.25	-
3	2018-19	-	-
	Total	~ 0.54	-

AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS (Section 135(5)):

- Rs. 2951.89 Million

PRESCRIBED CSR EXPENDITURE :

- Rs. 59.04 Million (2% of Average Net Profit)

DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

- (a) Total amount to be spent for the financial year: Rs. 59.04 Million
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: Nil
- (d) Total CSR obligation for the financial year (a+b-c) : Rs. 59.04 Million
- Total amount spent during the financial year: Rs. 59.33 Million
- Amount unspent: Nil

Details of CSR amount spent against ongoing projects for the financial year: NIL

Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. In Million)	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency	
				State.	District.			Name.	CSR registration number.
1.	Preventive medical screening at public places	Promoting health care including Preventive health care (Schedule VII(i))	Yes		Pan India	57.089	Both	Eris Foundation	Application is in process
2.	Education of Underprivileged	Education (Schedule VII(ii))	Yes		Gujarat	1.14	Yes	-	-
3.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Schedule VII(iv)	Yes		Assam	1.1	Yes	-	-
	Total					59.32			

Amount spent in administrative overheads: NA

Amount spent on Impact Assessment, if applicable: NA

Total amount spent for the Financial Year: Rs. 59.33 Million

Excess amount for set off, if any: Rs. 0.29 Million

Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. In Million)	Amount spent in the reporting Financial Year (Rs. In Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. In Million)
				Name of the Fund	Amount (Rs. In Million)	Date of transfer.	
1.	2019-20	0	59.53	Not Applicable	Not Applicable	Not Applicable	-
2.	2018-19	0	59.53	Not Applicable	Not Applicable	Not Applicable	-
3.	2017-18	0	7.29	Not Applicable	Not Applicable	Not Applicable	-
	Total		126.15				

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year

No creation or acquisition of capital asset during the current financial year

THE REASONS FOR UNSPENT AMOUNT: Not Applicable

For Eris Lifesciences Limited

Amit Bakshi
(DIN: 01250925)
Chairperson & Managing Director

Inderjeet Singh Negi
(DIN: 01255388)
Chairperson, CSR Committee

Ahmedabad, 13th May, 2021

CORPORATE GOVERNANCE REPORT

Annexure – 7

(Pursuant to provisions of Schedule V of the SEBI (LODR) Regulations, 2015/ "SEBI Listing Regulations")

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company believes in conscientiousness, innovation, fairness, transparency, pursuit of long-term value for all stakeholders, ethical & accountability driven processes and a purposeful existence. Your Company views the code of Governance as an opportunity to translate these beliefs into conduct which may assure all persons dealing or contemplating dealing with the company about these legitimate expectations from the Company.

2. BOARD OF DIRECTORS:

As on 31st March, 2021, the Board of Directors (Board) comprised of 8 (eight) directors out of which 3 (three) being promoter executive directors, 1 (one) executive director and 4 (four) non-executive independent directors. The Board is chaired by an Executive Promoter Director.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairperson of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as of March 31, 2021, have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act (Act). The maximum tenure of independent directors is compliant with the requirements of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

BOARD MEETINGS

The Company places before the Board all the relevant and necessary information at their meetings for the information of the Board. During the year ended on 31st March, 2021 the Board met 6 (Six) times on 02.06.2020, 26.06.2020, 04.08.2020, 03.11.2020, 28.01.2021 and 31.03.2021.

COMPOSITION OF THE BOARD AND CATEGORY OF DIRECTORS

The Composition of the Board, the category of Directors' and their attendance at the Board Meeting held during the year is as follows.

Directors	Category & Designation	No. of Board meetings attended	Last AGM attendance (Yes/No)	Other Directoship ^	No. of Committees in which Chairperson/member #	
					Chairperson	Member
Mr. Amit Bakshi (DIN: 01250925)	Promoter, Executive, Managing Director and Chairperson	6	Yes	0	0	0
Mr. Inderjeet Singh Negi (DIN: 01255388)	Promoter, Executive and Whole-time Director	5	Yes	3	0	1
Mr. Kaushal Shah (DIN: 01229038) Appointed w.e.f. 04.08.2020	Promoter, Executive and Whole-time Director	2	Yes	3	0	0
Mr. Krishnakumar Vaidyanathan (DIN: 08976508) – Appointed w.e.f. 20.12.2020	Executive Director	2	NA	0	0	1
Mrs. Vijaya Sampath (DIN: 00641110)	Non-Executive and Independent Director	6	Yes	10	1	5
Mr. Prashant Gupta (DIN:08122641)	Non-Executive and Independent Director	5	Yes	0	0	1
Mr. Rajeev Dalal (DIN: 00222650) – Appointed w.e.f. 19.12.2020	Non-Executive and Independent Director	2	NA	0	0	1
Ms. Kalpana Unadkat (DIN: 02490816) – Appointed w.e.f. 05.01.2021	Non-Executive and Independent Director	1	NA	2	0	3

^ The above list of 'other directorships' is based on declaration received from the respective Directors and does not include directorship in this Company.
# The Committee (Audit and Stakeholders' Relationship Committee only) Memberships and Chairmanship in Companies includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies.

DIRECTORSHIP IN LISTED COMPANIES OTHER THAN ERIS LIFESCIENCES LIMITED

Directors	Category & Designation	Name of Listed Company
Mr. Amit Bakshi (DIN: 01250925)	N.A	N.A
Mr. Inderjeet Singh Negi (DIN: 01255388)	N.A	N.A
Mr. Kaushal Shah (DIN: 01229038)	N.A	N.A
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	N.A	N.A
Mrs. Vijaya Sampath (DIN: 00641110)	Non-Executive and Independent Director	Safari Industries (India) Limited Craftsman Automation Limited Varroc Engineering Limited Intellect Design Arena Limited Ingersoll Rand (India) Limited VA TECH WABAG LIMITED
Mr. Prashant Gupta (DIN:08122641)	N.A	N.A
Mr. Rajeev Dalal (DIN: 00222650)	N.A	N.A
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	Avenue Supermarts Limited

All the information required to be furnished to the Board was made available to them along with detailed agenda notes. Information is also provided to the Board of Directors as and when required to make informed and timely decisions for the Company.

None of the Directors are related to each other in any way.

As on 31st March, 2021, the details of Equity Shares held by Non-Executive Directors are as under:

Name of Director	No. of Equity Shares held
Mrs. Vijaya Sampath	2220
Mr. Prashant Gupta	0
Mr. Rajeev Dalal	0
Ms. Kalpana Unadkat	0

The familiarisation programmes imparted to independent directors is available on http://eris.co.in/policies/

The Board, in their meeting, have assessed the veracity of the declaration given by the Independent Directors and confirmed that the Independent Directors comply with the provisions regarding independence specified in the SEBI LODR regulations and are independent from the Management of the Company.

During the year under review, Dr. Kirit Shelat, Independent director resigned before the expiry of his tenure. The requisite announcement made by the company together with applicable enclosure bringing out the required disclosure appears at https://www.bseindia.com/xml-data/corpfiling/AttachHis/40bbd686-0dab-49e3-a8da-a65f9c8f8245.pdf

The information required to be given for the Directors seeking appointment/ reappointment at the Annual General Meeting as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are given in the Notice calling this annual general meeting.

The Board of Directors identifies and approves the following core skills/expertise/competencies required by the Board of Directors for effective functioning of business and sector in which the Company operates:

- Pharmaceutical Industry expertise;
- Financial expertise;
- Legal expertise;
- Out of Industry perspective;
- Familiarity with Company history gained through long employment;
- Marketing of brands in Pharma market.

The Directors of the Company possess the aforementioned core skills/expertise/competencies.

Name of Director	Pharmaceu-tical Industry expertise	Financial expertise	Legal exper-tise	Out of Industry perspective	Familiarity with Company history gained through long employment	Marketing of brands in Pharma market
Mr. Amit Bakshi (DIN: 01250925)	Y	Y	-	-	Y	Y
Mr. Inderjeet Singh Negi (DIN: 01255388)	Y	Y	-	-	Y	Y
Mr. Kaushal Shah (DIN: 01229038)	Y	Y	-	-	Y	Y
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Y	Y	-	Y	-	-
Mrs. Vijaya Sampath (DIN: 00641110)	Y	Y	Y	Y	-	-
Mr. Prashant Gupta (DIN:08122641)	-	Y	Y	Y	-	-
Mr. Rajeev Dalal (DIN: 00222650)	Y	Y	-	Y	-	-
Ms. Kalpana Unadkat (DIN: 02490816)	-	Y	Y	Y	-	-

3. AUDIT COMMITTEE:

The composition of the Audit Committee is in compliance with the requirements of Section 177(2) and Regulation 18 of the Listing Regulations as on March 31, 2021 comprising of 4 (four) members out of which 1 (one) being executive director and 3 (three) non-executive independent directors.

During the year under review, the Audit Committee duly met 5 (Five) times on 02.06.2020, 26.06.2020, 04.08.2020, 03.11.2020 and 28.01.2021. The gap between any two successive Audit Committee meetings did not exceed one hundred and twenty days. The Composition as on 31st March, 2021 of the Audit Committee along with changes during the year are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mrs. Vijaya Sampath	Chairperson, Non-Executive Independent Director	5
2	Ms. Kalpana Unadkat @	Member, Non-Executive Independent Director	0
3	Mr. Prashant Gupta	Member, Non-Executive Independent Director	5
4	Mr. Krishnakumar Vaidyanathan @	Member, Executive Director	0
5	Mr. Kaushal Shah #	Member, Executive Director	2
6	Mr. Himanshu Shah $	Member, Executive Director	0
7	Dr. Kirit Shelat &	Member, Non-Executive Independent Director	3

@ Appointed as Member of the Committee w.e.f. 29.01.2021.
# Appointed as member of the Committee w.e.f. 04.08.2020 and ceased to be member of the Committee w.e.f. 29.01.2021.
$ Ceased to be member of the Committee and Director of the Company w.e.f. 31.05.2020.
& Ceased to be Member of the Committee and Director of the Company w.e.f from 11.09.2020.

All recommendations made by the Audit Committee during the year under review have been accepted by the Board of Directors.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Audit Committee is responsible for the discharge of its statutory role as per framework provided under the Companies Act, 2013 and the applicable SEBI rules and regulations. It covers, inter alia, the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors (including chief internal auditor of the Company and external auditors) and the fixation of the audit fee;

3. Approval of payment to statutory auditors or external auditors for any other services rendered by them;
4. Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies);
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements and auditor's report thereon before submission to the Board for approval;
6. 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 utilized 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 and monitoring the statutory auditor's and Internal Auditors independence and performance and discuss the same with the management and review effectiveness and adequacy of audit process and review Internal audit reports relating to internal control weaknesses;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed and mandatorily review Statement of significant related party transactions;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. 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;
13. Reviewing compliance with internal and statutory audit reports and examine reasons for substantial defaults and delays in implementing audit recommendations;
14. 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;
15. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. Reviewing the functioning of the whistle blower mechanism;
17. Review of statutory compliances and legal cases
18. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
19. Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.
20. Mandatorily review Management discussion and analysis of financial condition and results of operations;
21. Management letters / letters of internal control weaknesses issued by the statutory auditors;
22. Statement of deviations in terms of the SEBI Listing Regulations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
    b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders Relationship Committee is in compliance with the requirements of Section 178(5) and Regulation 20 of the Listing Regulations as on March 31, 2021, comprising of 3 (three) members out of which 1 (one) being executive director and 2 (two) non-executive directors. As on 31st March, 2021 there was no Chairperson.

The Composition as on 31st March, 2021 of the Stakeholders Relationship Committee along with changes during the year are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mr. Rajeev Dalal @	Member, Non-Executive Independent Director	0
2	Ms. Kalpana Unadkat @	Member, Non-Executive Independent Director	0
3	Mr. Inderjeet Singh Negi	Member, Executive Director	1
4	Mr. Prashant Gupta #	Member, Non-Executive Independent Director	1
5	Mr. Kaushal Shah $	Member, Executive Director	1
6	Dr. Kirit Shelat &	Member, Non-Executive Independent Director	0
7	Mrs. Vijaya Sampath *	Member, Non-Executive Independent Director	0
8	Mr. Himanshu Shah ^	Member, Executive Director	0

@ Appointed as Member of the Committee w.e.f 29.01.2021.
# Ceased to be member of the Committee w.e.f. 29.01.2021.
$ Appointed as member of the Committee w.e.f. 04.08.2020 and ceased to be member of the Committee w.e.f. 29.01.2021.
& Ceased to be Member of the Committee and Director of the Company w.e.f from 11.09.2020.
* Ceased to be member of the Committee w.e.f. 07.08.2020.
^ Ceased to be member of the Committee and Director of the Company w.e.f. 31.05.2020.

The committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review the Stakeholders Relationship Committee duly met 1 (one) time on 28.01.2021. Mr. Milind Talegaonkar, Company Secretary acts as the Compliance Officer of the Company.

Number of Shareholder Complaints Received, Solved and Pending during the year:

No. of Complaints Received	No. of Complaint not Solved to the satisfaction of shareholders	No. of Complaints Pending
6	0	0

The terms of reference of the Committee, inter alia, includes the following:

- Considering and resolving grievances of shareholders', debenture holders and other security holders;
- Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
- Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- To consider and approve, any and all requests of the Security(ies) holders of the Company, for re-materialisation or de-materialisation of the Securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

5. NOMINATION AND REMUNERATION COMMITTEE:

The composition of the Nomination and Remuneration Committee is in compliance with the requirements of Section 178(1) and Regulation 19 of the Listing Regulations as on March 31, 2021, comprising of 4 (Four) members out of which 3 (three) being non-executive independent directors and 1 (one) being Chairperson and Managing Director of the Company.

The Composition as on 31st March, 2021 of the Nomination and Remuneration Committee along with changes during the year are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mrs. Vijaya Sampath	Chairperson, Non-Executive Independent Director	3
2	Mr. Prashant Gupta	Member, Non-Executive Independent Director	2
3	Mr. Rajeev Dalal @	Member, Non-Executive Independent Director	1
4	Mr. Amit Bakshi	Member (Chairperson of the Company, Executive Director)	3
5	Dr. Kirit Nanubhai Shelat #	Chairperson, Non-Executive Independent Director	1

@ Appointed as Member of the Committee w.e.f 29.01.2021.
# Ceased to be Member of the Committee and Director of the Company w.e.f from 11.09.2020.

The committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review the Nomination and Remuneration Committee duly met 3 (Three) times on 04.08.2020, 28.01.2021 and 31.03.2021.

The Nomination and Remuneration Committee, in its meeting held on 29th January, 2019, has adopted the following parameters to evaluate the performance of Non-Executive Directors:

- Attendance at meetings of the Board and Committees thereof,
- Extent of participation through discussions in the Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Inputs received while making risk assessments and suggestions on risk mitigation,
- Inputs received during the review of financial statements, business performance,
- Overall contribution to the enhancement of brand image of the Company,
- performance of the directors,
- fulfilment of the independence criteria as specified in applicable regulation of SEBI LODR Regulations, 2015 and their independence from the management

Managing Director and the Whole-time Director(s) and other Executive director(s):
- appropriate benchmarks set as per industry standards,
- the performance of the role occupant.

The terms of reference of the Committee, inter alia, includes the following:
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Recommend to the board, all remuneration, in whatever form, payable to senior management
- Formulation of criteria for evaluation of independent directors and the Board;

- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
- To administer and superintend the ESOP scheme of the company.

6. CSR COMMITTEE

As on 31st March, 2021 the CSR Committee comprises of 3 (three) members out of which 2 (two) are executive directors and 1 (one) are non-executive Independent Director of the Company. The committee carries out functions enumerated in the Act. During the Year Company has conducted only One Meeting on 26.06.2020.

The Composition as on 31st March, 2021 of the CSR Committee along with changes during the year are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mr. Inderjeet Singh Negi	Chairperson, Executive Director	1
2	Mr. Kaushal Shah @	Member, Executive Director	0
3	Mr. Rajeev Dalal #	Member, Non-Executive Independent Director	0
4	Dr. Kirit Shelat $	Member, Non-Executive Independent Director	1
5	Mr. Prashant Gupta &	Member, Non-Executive Independent Director	1
6	Mr. Himanshu Shah ^	Member, Executive Director	0

@ Appointed as member of the Committee w.e.f. 04.08.2020.
# Appointed as Member of the Committee w.e.f 29.01.2021.
$ Ceased to be Member of the Committee and Director of the Company w.e.f from 11.09.2020.
& Ceased to be member of the Committee w.e.f. 29.01.2021.
^ Ceased to be member of the Committee and Director of the Company w.e.f. 31.05.2020.

The Company has spent Rs. 59.33 Million on CSR activities during the said financial year.

The terms of reference of the CSR Committee, inter alia, includes the following:

- Recommending the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013 for every financial year; and
- Monitoring the Corporate Social Responsibility Policy of your Company from time to time and recommending to the Board, any amendments in Corporate Social Responsibility Policy indicating activities that can be undertaken by the Company as specified in Schedule VII to the Companies Act 2013.

7. EXECUTIVE COMMITTEE MEETING

As on 31st March, 2021 the Executive Committee comprises of 4 (four) members, all being executive directors. During the Year Company has conducted five Meetings on 18.05.2020, 23.06.2020, 24.07.2020, 16.11.2020 and 21.01.2021.

The Composition as on 31st March, 2021 of the Executive Committee are as follows:

Sr. No.	Name of the Director (and designation in relation to membership of the committee)	Executive / Non-executive	Independent / Non-Independent	No. of Meeting Attended
1	Mr. Amit Bakshi - CHAIRPERSON	Executive	Non-Independent	5
2	Mr. Inderjeet Singh Negi – Member	Executive	Non-Independent	5
3	Mr. Kaushal Shah – Member @	Executive	Non-Independent	2
4	Mr. Krishnakumar Vaidyanathan – Member #	Executive	Non-Independent	0
5	Mr. Himanshu Shah $	Executive	Non-Independent	0

@ Appointed as member of the Committee w.e.f. 04.08.2020.
# Appointed as Member of the Committee w.e.f 29.01.2021.
$ Ceased to be member of the Committee and Director of the Company w.e.f. 31.05.2020.

The terms of reference of the Executive Committee, inter alia, includes the following:

- Deal with the day-to-day activities of the Company business including all operational matters affecting it;
- Develop and implement the adopted business plans, policies, guidelines, strategies, procedures, budgets and operational plans;
- Monitor and manage the operating and financial performance of the Company;
- Optimise, prioritise and allocate investment and resources;
- Manage and develop talent and undertake succession planning;
- Manage the risk profile of the Company;
- Give or make available to the Board such information, reports and other documents to enable it to carry out its duties.
- Be responsible for the identification, management, and mitigation of risk(s) across the Company's business;
- Manage the internal controls environment;
- Be responsible and accountable for the integrity of management information and financial reporting systems;
- Review the legal structure and propose recommendations for its improvement to the Board based thereon; and
- Borrow monies in terms of Section 179(3)(d) of the Act read with the first proviso thereto not exceeding an amount of INR 1000 crores (onethousand crores only) in the aggregate
- Invest the funds of the Company in terms of Section 179(3)(e) of the Act read with the first proviso thereto within the aforesaid overall limit of INR 1000 crores (one thousand crores only).
- Grant loans or give guarantee or provide security in respect of loans in terms of Section 179(3)(f) read with the first proviso thereto within the limits available to the Board from time to time.
- All actions and decisions ancillary, incidental, or connected to the above unless those are ultra-vires the Company or fall within the terms of reference of any other committee of the Board or is only exercisable by the general body, or is specifically required by the prevailing Company Laws to be exercisable only by the Board without permitting any committee delegation thereof.

8. RISK MANAGEMENT COMMITTEE:

As on 31st March, 2021 the Risk Management Committee comprises of 4 (Four) members out of which 3 (three) are executive directors and 1 (one) is employee of the Company. The committee carries out functions enumerated in the Act. The composition as on 31st March, 2021 of the risk management committee along with changes during the years are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of Meeting Attended
1	Mr. Inderjeet Singh Negi @	Chairperson, Executive Director	1
2	Mr. Amit Bakshi	Member, Executive Director	1
3	Mr. Sachin Shah	Member, CFO	1
4	Mr. Kaushal Shah #	Member, Executive Director	0
5	Mr. Krishnakumar Vaidyanathan #	Member, Executive Director	0

@ Ceased as Member of the Committee w.e.f 29.01.2021.
# Appointed as member of the Committee w.e.f. 29.01.2021.

During the Year Company has conducted only One Meeting on 28.01.2021.

Terms of Reference for the Risk Management Committee:

The Risk Management Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, for the following:

- Framing of Risk Management Plan and / or Policy;
- Overseeing implementation / Monitoring of Risk Management Plan and / or Policy;
- Validating the process of Risk Management;
- Validating the procedure for Risk Minimization;
- Periodically reviewing and evaluating the Risk Management Plan and / or Policy and practices with respect to risk assessment and risk management processes;
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- Review of development and implementation of a risk management policy / plan including identification therein of element of risk;
- Annual performance evaluation of the Committee;
- Cyber Security risk management and mitigation;
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

9. INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, separate meeting of Independent Directors was held on 30.03.2021 without the participation of Non-Independent Directors and members of the management. The Independent Directors discussed on various aspects, viz. performance of non-independent directors and the Board as a whole, performance of the Chairperson of the Company, quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. REMUNERATION OF THE DIRECTORS

a. Transactions with the non-executive directors: - The Company does not have material pecuniary relationship or transactions with its non-executive directors. The Company has paid sitting fees to non-executive directors for attending the meetings of the Board / Committees / sub-committees. Further the Company has paid commission to non-executive directors.

b. Criteria for making payments to Non-Executive Directors are available on the Company's website: http://eris.co.in/policies/

c. Disclosures with respect to remuneration:

In addition to the disclosures required under Companies Act, 2013, as given in extract of annual return, the disclosure regarding remuneration are as follows:

1. Details of fixed component and performance linked incentives, along with the performance criteria:

(Amount in Rupees)

Sr. No.	Particulars	Mr. Amit Bakshi* Chairperson & Managing Director	Mr. Kaushal Shah** Executive Director	Mr. Inderjeet Singh Negi*** Executive Director	Mr. Krishnakumar Vaidyanathan**** Executive Director & COO	Mr. Himanshu Shah***** Executive Director
1	Basic Salary	1,45,83,330	17,50,000	41,70,837	49,87,500	25,66,664
2	Fixed components	1,21,16,829	29,16,424	74,20,826	1,06,59,232	47,57,278
3	Variable components	0	0	0	0	0
4	Joining Bonus	0	0	0	2,00,00,000	0
5	Total	2,67,00,159	46,66,424	1,15,91,663	3,56,46,732	73,23,942

* Mr. Amit Bakshi opted to forgo the variable component of his remuneration and part of the salary amounting to Rs. 22.4 million.

** Mr. Kaushal Shah opted to forgo the part of the salary amounting to Rs. 0.58 million

*** Mr. Inderjeet Negi opted to forgo the part of the salary amounting to Rs. 1.05 million

**** The company has paid one time joining bonus to Mr. Krishnakumar Vaidyanathan amounting to Rs. 20 million.

***** Mr. Himanshu Shah opted to forgo the part of the salary amounting to Rs. 0.91 million and he resigned from the Board w.e.f.31.05.2020.

Non-Executive Directors:

During the year under review sitting fees and commission were paid to the Non-Executive Directors including Independent Directors of the Company which are as under;

Name of Director	Amount of sitting fees paid	Amount of commission paid
Mrs. Vijaya Sampath	10,50,000	5,00,000
Dr. Kirit Shelat	6,00,000	-
Mr. Prashant Gupta	10,50,000	5,00,000
Mr. Rajeev Dalal	2,25,000	8,50,000
Ms. Kalpana Unadkat	75,000	8,40,000

Performance criteria includes the growth, consolidation, Position of the Company in Indian Pharmaceutical Market (IPM), Compliance Record, comparison with the peer group as assessed/ adjudged along with other criteria as decided by the Board / Committee time to time.

2. There are no separate service agreements executed by the Company and its Directors. However, the Company has executed following agreements:
   - Managing Director Employment Agreement with Mr. Amit Bakshi.
   - Employment Agreement with Mr. Kaushal Shah and Mr. Inderjeet Singh Negi.

   The Non-Executive/Independent Directors are entitled to commission and sitting fees in respect of the meetings of the Board and its committee/ sub-committees attended by them and they are also entitled to reimbursement of all expenses for participation in the Board and other meetings in accordance with the Letter of Appointment issued to them.

   Apart from the above agreements and letters of appointments, there are no service agreements/severance fees executed / paid by the Company to the Directors. For all the above mentioned agreements notice period is/ would be 120 days. Non Executive Director may resign from his/her position at any time after serving a reasonable written notice to the Board.

3. The Company has not granted any ESOPs to any of the Directors of the Company.

11. GENERAL BODY MEETINGS:

The last three Annual General Meetings (AGM) were held as under:

Sr. No.	Financial Year	Day and Date	Time	Location
1	2017-18	Saturday, 29th September, 2018	11:00 A.M.	HT Parekh Hall, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015
2	2018-19	Friday, 27th September, 2019	11:00 A.M.	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015
3	2019-20	Tuesday, 29th September, 2020	11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") Deemed venue: 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015

Special Resolution passed in last three AGM:

In 12th AGM held on 29th September, 2018 following special resolutions were passed:

- To approval of the change in the 'Object Clause' of the Memorandum of Association of the Company;
- To authorise the Board of Director to sell, lease or dispose of the undertaking of the company.

In 14th AGM held on 29th September, 2020 following special resolution was passed:

- To appoint Mr. Kaushal Shah as a Whole-time Director of the Company.

Other than above no special resolutions were passed in last three Annual General Meetings.

The Company neither passed any resolution through postal ballot during the year under review nor any special resolution is proposed to be conducted through postal ballot.

12. MEANS OF COMMUNICATION:

Quarterly / Annual Results: The quarterly / half-yearly / annual financial results as required under Regulation 33 of the Listing Regulations have been intimated to the Stock Exchanges and published in the newspaper- 'The Financial Express' (English & Gujarati editions). Further the said are also available at the website of the Company i.e. www.eris.co.in.

News releases, presentations and others: Official news releases and official media releases are sent to Stock Exchanges and are put on the Company's website.

Information on the website of the Company: The Company is in compliance of Regulation 46 of the Listing Regulations. On the website of the Company (www.eris.co.in), a separate section under 'Investors' tab has been created, where Company disseminates information and various announcements made by the Company are available.

Presentations to institutional investors / analysts: The transcript of the conference calls for Results, presentations made to institutional investors and financial analysts are intimated to the Stock Exchanges and are put on the Company's website.

13. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Day, Date, Time and Venue	Day : Wednesday Date: 1st September, 2021 Time: 11:00 a.m. Venue : 8th Floor, Commerce House IV, Prahladnagar, Ahmedabad – 380015
(ii)	Financial Year	1st April, 2020 to 31st March, 2021
(iii)	Date of Book Closure	25th August, 2021
(iv)	Dividend Payment Date	Not Applicable
(v)	ISIN No. for ordinary shares of the Company in Demat form	INE406M01024
(vi)	Registered Office	8th Floor, Commerce House IV, Prahladnagar, 100 Feet Road, Ahmedabad – 380015
(vii)	Registrar and Transfer Agent	Link Intime India Pvt. Ltd. C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083
(vii)	Investor Correspondence	7th Floor, Commerce House-IV, Nr. Prahlad Nagar, 100ft. Road, Ahmedabad – 380015

(ix)	Plant Location	Plot no. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India
(x)	Any Website where it displays official releases	http://www.eris.co.in
(xi)	Any presentation made to the institutional investor and analyst	Displayed on website of the Company.
(xii)	Is half yearly report sent to the shareholders	No
(xiii)	Whether Management Discussion and Analysis is a part of this report	The said report is part of Annual Report.
(xiv)	Share Transfer System	The work of physical share transfer is presently handled by Registrar and Transfer Agent. The work of electronic transfer of shares is done through the depositories.
(xv)	Auditors for the FY 2020-21 and Proposed Auditors for the FY 2021 – 2022	M/s Deloitte Haskins & Sells LLP
(xvi)	Compliance Officer	Mr. Milind Talegaonkar
(xvii)	Company Secretary	Mr. Milind Talegaonkar
(xviii)	Whether securities are suspended from trading	No

Listing on Stock Exchange(s):

Sr. No.	Name of Stock Exchange	Address of Stock Exchange	Stock Code
1	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	540596
2	National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051	ERIS

Notes: Annual Listing fees for the Financial Year 2020 -21 has been duly paid to the stock exchanges.

Market price data of the Company:

	BSE Limited		National Stock Exchange of India Limited	
Month	Month's High Price	Month's low Price	Month's High Price	Month's low Price
Apr-20	527.45	367.00	527.8	365.05
May-20	511.7	463.55	515	460.05
Jun-20	593.4	455	595	454.4
Jul-20	499	400	497	400.8
Aug-20	589.9	460	590	480
Sep-20	569.1	470	570	470
Oct-20	547.45	486.05	555	484
Nov-20	536	498.45	536.55	497.45
Dec-20	605	516	605	516.8
Jan-21	642.5	568.6	643.2	568
Feb-21	633	552.85	627.5	473.5
Mar-21	644	568.05	645.25	568.7

Performance of the Share price of the Company in comparison to the BSE SENSEX and NSE NIFTY:

14. FINANCIAL CALENDAR:

Report Period	: From 1st April 2021 to 31st March 2022
First Quarter Result	: Last Week of July, 2021 (tentative)
Second Quarter Result	: Last Week of October,2021 (tentative)
Third Quarter Result	: Last Week of January, 2022 (tentative)
Fourth Quarter Result	: Second Week of May, 2022 (tentative)

15. DISTRIBUTION OF SHAREHOLDINGS AND SHARE HOLDING PATTERN

Distribution schedule: (AS ON 31-03-2021):

Distribution of Shares	No of Share Holders	Percentage to Total No. of Shareholders	No of Shares Held	Percentage to Total Share Capital
1 – 500	41044	98.06	1800504	1.32
501 – 1000	435	1.03	317762	0.23
1001 – 2000	152	0.36	213927	0.15
2001 – 3000	40	0.09	97726	0.07
3001 – 4000	36	0.08	123848	0.09
4001 – 5000	15	0.03	70519	0.05
5001 – 10000	32	0.07	240156	0.17
Above 10001	100	0.23	132916211	97.89
Grand Total	41854	100.00	135780653	100.00

Shareholding Pattern:
CATEGORY WISE SHAREHOLDING PATTERN AS ON 31ST MARCH, 2021:

Sr. No.	Category	No. of Shares Held	% of Holding
1	**Promoter & Promoter Group**		
	Indian	73503934	54.13
	Foreign	0	0
2	**Public**		
	Institutions	29987262	22.09

	Central Government/ State Government(s)/President of India	0	0
	Non-Institutions	32289457	23.78
3	**Non Promoter - Non Public**		
	Custodian/DR Holder	0	0
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0
	Total (1+2+3)	**137580653**	**100**

16. DEMATERIALIZATION OF SHARES AND LIQUIDITY.

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). All the shares except 9 Equity shares of the Company have been dematerialised by investors as on 31st March, 2021. All shares of the Company except Lock-in shares are liquid and actively traded in normal volume on BSE Limited and National Stock Exchange of India Limited.

17. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

18. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Risk of exchange rate volatility is mitigated by splitting and spreading the foreign exchange payments between the date of issue of import orders and the final payment against receipt of supplies. The Company has obtained necessary authorisations for covering the foreign exchange exposure. The decision to avail hedging is taken on case to case basis.

19. CREDIT RATING:

During the year under review no credit rating was required by the Company.

20. OTHER DISCLOSURES:

(a) Materially significant related party transactions:
There were no materially significant related party transactions during the year under review that may have potential conflict with the interests of the Company at large.

(b) Details of noncompliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years: During the period under review the Company has received notice regarding noncompliance of Regulation 17 and Regulation 23(9) from the stock exchanges. The Company has duly paid fines to both the exchanges.

(c) Whistle Blower Policy
In accordance with the requirements of the Act, read with SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, the Company has in place the Whistle Blower Policy approved by the Board of Directors. The Company affirms that no personnel has been denied access to the Audit Committee. The said policy has been uploaded on the website of the Company - http://www.eris.co.in/policies.

(d) Compliance with mandatory requirements and adoption of non-mandatory requirements:
The Company has complied with all mandatory requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. However, at present the Company has not adopted the non-mandatory requirements of Regulation 27 read with Part E of schedule II of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 except Reporting of Internal Auditor to the Audit Committee.

(e) The Company has in place the Policy for determining Material subsidiaries and the said policy has been uploaded on the website of the Company- http://www.eris.co.in/policies.

(f) The Company has in place the policy on dealing with related party transactions and the said policy has been uploaded on the website of the Company- http://www.eris.co.in/policies.

(g) Disclosure of accounting treatment different from accounting standards: None

(h) The Company has not raised funds through preferential allotment or qualified institutions placement.

(i) Certificate from Mr. Ravi kapoor, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is given below:

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
ERIS LIFESCIENCES LIMITED
8th Floor, Commerce House- IV,
Prahladnagar, 100 ft road,
Ahmedabad – 380 015

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Eris Lifesciences Limited** having CIN **L24232GJ2007PLC049867** and having registered office at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad – 380015(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

Sr.No	Name of Director	DIN	Date of appointment in Company
1	Rajeev Dalal	00222650	19/12/2020
2	Vijaya Sampath	00641110	03/02/2017
3	Kaushal Kamlesh Shah	01229038	04/08/2020
4	Amit Indubhushan Bakshi	01250925	27/01/2007
5	Inderjeet Singh Negi	01255388	27/01/2007
6	Prashant Gupta	08122641	30/04/2018
7	Kalpana Vasantrai Unadkat	02490816	05/01/2021
8	Krishnakumar Vaidyanathan	08976508	20/12/2020

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated above for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs,

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor and Associates

Date: 13th May, 2021
Place: Ahmedabad

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
CP No. 2407
UDIN: F002587C000289797

(j) The Board of Directors accepted all the recommendations given by any committee of the Board during the financial year under review.

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is Rs. 50,05,852/-

(l) Disclosure required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
Number of Complaints outstanding at the beginning of the financial year: Nil
Number of complaints filed during the financial year: Nil
Number of complaints disposed of during the financial year: Nil
Number of complaints pending as on end of the financial year: Nil

There is no non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of SEBI LODR Regulations.

21. UNCLAIMED SHARES LYING IN DEMAT SUSPENSE ACCOUNT:

The balance in the demat suspense account or unclaimed suspense account is nil.

22. DETAILS OF NON-COMPLIANCE

No Penalties have been imposed by any stock exchanges and SEBI, nor has there been any instance of non-compliance with any legal requirements of corporate governance report other than those mentioned Secretarial Audit report issued by Secretarial Auditor of the Company.

23. DISCLOSURE OF COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENT:

The Company has complied with the corporate governance requirement as specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR Regulations.

24. MANAGING DIRECTOR /CFO CERTIFICATION:

The Chairperson and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI LODR Regulations. The Chairperson and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI LODR Regulations. The annual certificate given by the Chairperson and Managing Director and the Chief Financial Officer is given below:

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI LODR, 2015

To,
The Board of Directors.
Eris Lifesciences Limited

We, Amit Bakshi, DIN: 01250925, Chairperson & Managing Director and Sachin Shah, Chief Financial Officer of Eris Lifesciences Limited ("Company") to the best of our knowledge and belief certify that:

A. We have reviewed standalone as well as consolidated financial statements and the cash flow statement of the Company for the quarter / year ended 31st March, 2021 and that to the best of their knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

   (1) There has not been any significant changes in internal control over financial reporting during the year;
   (2) There has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (3) There has not been any 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: Ahmedabad Date:13.05.2021	Amit Bakshi Chairperson & Managing Director DIN: 01250925	Sachin Shah Chief Financial Officer

25. CODE OF CONDUCT:

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior Management. The code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them.

The Code has been uploaded on the website of the Company.

26. DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2020 – 2021.

I, Amit Bakshi, Chairperson & Managing Director of Eris Lifesciences Limited, declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2020 – 2021.

Place: Ahmedabad Date: 13.05.2021	Amit Bakshi Chairperson & Managing Director DIN: 01250925

27. COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY

Certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance, as stipulated under Regulation 34 of the SEBI Regulations appears as under:

COMPLIANCE CERTIFICATE

To,
The Board of Directors.
Eris Lifesciences Limited

We have examined the Compliance Conditions of Corporate Governance by Eris Lifesciences Limited for the year ended on 31st March, 2021 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01st April, 2020 to 31st March, 2021. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated Listing Regulations except in following cases:

- For the period 11.12.2020 to 18.12.2020, Board of Directors of the Company comprises of 5 Directors, which is below of statutory requirement of having at least 6 Directors on the Board. Further, for the period 11.12.2020 to 18.12.2020 and 20.12.2020 to 04.01.2021, Board of Directors of the Company does not comprise of adequate no. of Non-Executive and Independent Directors. Accordingly, to that extent Company has not complied with provisions of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Company made delay of 11 days for submission of disclosure of Related Party Transactions on consolidated basis for the quarter ended on 30th September, 2020. Accordingly, provisions of Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not complied with.

We further 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.

Date: 13th May, 2021
Place: Ahmedabad

Ravi Kapoor & Associates

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
COP No.: 2407
UDIN: F002587C000300632

Annexure – 8

ERIS LIFESCIENCES LIMITED

Registered Office: 8th Floor, Commerce House IV, Prahladnagar, 100 Feet Road,
Ahmedabad – 380015

Email: complianceofficer@erislifesciences.com Website: www.eris.co.in
Tel: +91 79 3045 1000 Fax: +91 79 3017 9404
CIN: L24232GJ2007PLC049867

DISCLOSURES WITH RESPECT TO EMPLOYEES' STOCK OPTION PLAN, 2017 OF THE COMPANY PURSUANT TO RULE 12 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, REGULATION 14 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND SEBI CIRCULAR CIR/CFD/POLICY CELL/2/2015 DATED JUNE 16, 2015 AS ON MARCH 31, 2021:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time:
Members may refer to the audited financial statements prepared as per IND AS for the year 2020-2021.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Ind-AS 33:
Diluted EPS for the year ended March 31, 2021 is Rs. 25.80 calculated in accordance with Ind-AS 33 (Earnings per Share)

C. Details related to Employees' Stock Option Plan, 2017 ("ESOP 2017")

Sr. No.	Description	Details
1	Date of Shareholders' Approval	3rd February, 2017 29th September, 2017 (Ratified)
2	Total Number of Options approved under ESOPs	3,91,599 equity shares
3	Vesting requirements	Options granted under ESOP 2017 would vest not earlier than 1 (One) year and not later than 5 (Five) years from the date of Grant of such Options. The Option would vest on completion of vesting period and the vesting of options would be subject to continued employment/service with the Company. The Nomination and Remuneration Committee of the Company/Compensation Committee may specify certain performance parameters subject to which the Options would vest. The Options would vest in a Director only if he continues to remain a Director of the Company on the date of the Vesting of Options. Vesting of Options in case of Employees on long leave: The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Board.

4	Exercise Price		The Exercise Price per Option shall be such price as may be determined by the Nomination and Remuneration Committee of the Company / Compensation Committee being not less than the face value of an equity share of the Company as on the date of grant of Option. The Exercise price of options (as of the date of grant of options) was determined as Rs. 451.04.
5	Pricing Formula		Discount to fair market value of the Equity Shares as on the date of grant.
6	Maximum term of option granted		The options would vest over a maximum period of 5 years from the date of grant of Options.
7	Sources of Shares		Primary
8	Variation in terms of options		Nil
9	Method used to account for ESOPs		Black Scholes Option Pricing Model.
10	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed		NA
11	Option movement during the year as on March 31, 2021		
	a	Number of options outstanding at the beginning of the period	3,21,930
	b	Number of options granted during the year	Nil
	c	Number of options forfeited/ lapsed during the year	48,221
	d	Number of option vested during the year	~68,176
	e	Number of options exercised during the year	0
	f	Number of shares arising as a result of exercise of options	0
	g	Money realised by exercise of options (INR), if scheme is implemented directly by the company	0
	h	Loan repaid by the trust during the year from exercise price received	NA
	i	Number of options outstanding at the end of the year	~2,73,709
	j	Number of options exercisable at the end of the year	1,56,977
12	Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock		Weighted average exercise prices: Rs. 451.04 Weighted average fair values: Rs 268.77
13	Employee- wise details of options granted during the year to:		
	i	Senior Managerial Personnel and / or Key Managerial Personnel	Nil
	ii	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
	iii	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil

13. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model:

Sr. No	Particular	2020-21
i	weighted average risk free interest rate	6.91%
ii	weighted average expected option life (in Years)	5.50
iii	weighted average expected volatility	20.56%
iv	weighted average expected dividend yield	1.00%
v	weighted average share price	601.38
vi	weighted average exercise price (rounded to nearest decimal)	451.04

b. The method used and the assumptions made to incorporate the effects of expected early exercise:

Black Scholes Option Pricing Model. The assumptions are as stated in the above table.

c. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:

The expected volatility has been calculated based on the nearest comparable peers prices, as the historical data of the Company is not available considering the unlisted status of your Company as at grant date of stock options.

d. Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition:
Yes, the features are mentioned below, viz:

a. weighted average risk free interest rate
b. weighted average expected volatility
c. weighted average share price

Disclosures in respect of grants made in three years prior to IPO under each ESOP:

a. During the year 2016-17, the ESOP scheme 2017 was approved but no grants were made.
b. On April 12, 2017 all options under the said scheme i.e. 391,599 options were granted prior to the IPO.

Information regarding options Lapse:

a. During the year 2017-18, 23,281 options became unexercisable.
b. During the year 2018-19, 11,640 options became unexercisable/Lapsed.
c. During the year 2019-20, 14,965 Options became unexercisable/Lapsed.
d. During the year 2020-21, 48,221 Options became unexercisable/Lapsed.
e. The Company has re-credited total 98,107 options to options reserved till signing of the report.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May 2021

Annexure – 9

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto. (FY 2020-21)

I. Details of contracts or arrangements or transactions not at arm's length basis:

a.	Name(s) of the related party and nature of relationship:	Not Applicable
b.	Nature of contracts/arrangements/transactions:	Not Applicable
c.	Duration of the contracts/arrangements/transactions:	Not Applicable
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
e.	Justification for entering into such contracts or arrangements or transactions:	Not Applicable
f.	Date(s) of approval by the Board, if any:	Not Applicable
g.	Amount paid as advances, if any:	Not Applicable
i.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	Not Applicable

I. Details of material contracts or arrangement or transactions at arm's length basis:

1			
a.	Name(s) of the related party and nature of relationship:	Mr. Saurabh Shah (Brother of Mr. Himanshu Jayantbhai Shah, Whole Time Director of the Company)(Related party till 31st May 2020)	
b.	Nature of contracts/arrangements/transactions:	Employment agreement	
c.	Duration of the contracts/arrangements/transactions:	Appointed w.e.f 1st September, 2016	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Regular employment; in the ordinary course of business of the Company. Requisite approval of General Meeting obtained for a monthly remuneration of Rs. 0.3 million. Subsequent yearly increase, not exceeding 20% to be made by the Board or any of its designated Committee.	
e.	Date(s) of approval by the Board, if any:	21.05.2019 Note1	
f.	Amount paid as advances, if any:	Nil	
2			
a.	Name(s) of the related party and nature of relationship:	Subsidiaries of the Company [Aprica Healthcare Limited (Previously known as UTH Healthcare Limited), Kinedex Healthcare Private Limited and Eris Healthcare Private Limited]	
b.	Nature of contracts/arrangements/transactions:	Intra Group licensing of Trade marks	
c.	Duration of the contracts/arrangements/transactions:	Continuing	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Monthly Net Sales	% of Monthly Net Sales as royalty
		Upto Rs. 9.00 Crores	1%
		Rs. 9 Crores to Rs. 12.00 Crores	3%
		Above ` 12 Crores	5%
e.	Date(s) of approval by the Board, if any:	5th January, 2018 by Board's Committee and 12th February 2018 by Audit Committee	
f.	Amount paid as advances, if any:	Nil	

3			
	a.	Name(s) of the related party and nature of relationship:	Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)
	b.	Nature of contracts/arrangements/transactions:	Transaction regarding sale / purchase of stock in trade
	c.	Duration of the contracts/arrangements/transactions:	Continuing
	d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase: 1.55 Million Sale: 63.95 Million
	e.	Date(s) of approval by the Board, if any:	Since these transactions are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable
	f.	Amount paid as advances, if any:	Nil
4			
	a.	Name(s) of the related party and nature of relationship:	Eris Healthcare Private Limited
	b.	Nature of contracts/arrangements/transactions:	Transaction regarding sale / purchase of stock in trade
	c.	Duration of the contracts/arrangements/transactions:	Continuing
	d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase: 45.46 Million Sale: 144.81 Million
	e.	Date(s) of approval by the Board, if any:	Since these transactions are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable
	f.	Amount paid as advances, if any:	Nil
5			
	a.	Name(s) of the related party and nature of relationship:	Aprica Healthcare Limited (Previously known as UTH Healthcare Limited) Note2
	b.	Nature of contracts/arrangements/transactions:	Agreement of the drug manufacturing for subsidiary at the manufacturing facility of the company
	c.	Duration of the contracts/arrangements/transactions:	Continuing
	d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	Manufacturing and supply of the drug(s) agreement by the Eris for the same by Aprica, in the ordinary course of business of the company
	e.	Date(s) of approval by the Board, if any:	29.01.2019 Original Agreement 22.11.2019 Amendment approved by Board's committee
	f.	Amount paid as advances, if any:	Nil

Note :

1 Appointment of Mr. Saurabh Shah was approved by the members of the Company through an ordinary resolution in the Annual General Meeting held on 29th September, 2017

2 Please refer point no. 26.1 of standalone financial statements.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May 2021

Annexure – 10

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL ("KMP") AND OTHER EMPLOYEES

Preamble

This Policy on Remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees (hereinafter referred as the "Policy") of Eris Lifesciences Limited ("the Company") is designed and formulated by the Nomination and Remuneration Committee ("the Committee") of the Company pursuant to the Companies Act, 2013 (the "Act") and rules made thereunder and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

The Board of Directors of the Company adopted this policy at their meeting held on August 17, 2017.

The Policy lays down the criteria with regard to remuneration of Directors, KMP and other employees.

A. Guiding Principles for remuneration:

The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate with their contributions and shall be sufficient enough to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge and skill required including complexity of the job, work duration and risks associated with the work, and attitude of the worker like positive outlook, team work, loyalty, past remuneration, past performance etc.

The level and components of the remuneration shall be such so as to align with the long term interest of the company and it's shareholders.

B. Components of Remuneration:

The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.

a. **Fixed compensation:** The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.

b. **Variable compensation:** The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.

c. **Share based payments:** The Board of Directors may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.

d. **Non-monetary benefits:** Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary benefits such as discounted salary advance /credit facility, rent free accommodation, Company cars with or without chauffer's, share and share price related incentive, reimbursement of electricity and telephone bills etc.

e. **Commission:** The directors may be paid commission if approved by the shareholders. The shareholders may authorise the Board to declare commission to be paid to any director of the Board.

f. **Retirement benefits:** The Company shall provide retirement benefits applicable in accordance with law.

g. **Sitting Fee and Commission:** The Company may pay sitting fee for attending Board and Committee meeting and commission to the Directors of the Company in compliance with law.

h. **Loan/ advances to the Employees:** The Company may give loan or advances to the employees in accordance with the provisions of the Companies Act, 2013 and the terms and conditions of the Loan Policy of the Company, as approved by the Board or any Committees thereof, from time to time.

C. Entitlement:

The authority to determine the entitlement to various components as aforesaid for each class and designation of personnel shall be as follows:

Designation / Class	To be determined by
Managing Director/ Whole Time Director	The remuneration for the Managing Director/ Whole Time Director is as per the agreement approved by the shareholders on recommendation of the Board of Directors. In case of any change, the same would require the approval of the shareholders on recommendation of the Board of Directors and other applicable compliances required by laws.
Independent Directors*	Board of Directors / Executive Committee
Other Directors	Board of Directors
Senior Management	Recommendation of the Nomination and Remuneration Committee and approval of Board of Directors
Other Employee	Departmental Heads in consultation with Human Resources Head

*Sitting fee payable to the directors shall be in accordance with the provisions of the law.

D. Amendment: The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 13th May, 2021

Annexure – 11

1. Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name and Designation of Director & KMP	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2020-21	% increase/(decrease) in remuneration in the FY 2020-21 #
1.	Mr. Amit Bakshi* Chairperson & Managing Director	87.59	(46%)
2.	Mr. Inderjeet Singh Negi** Whole time Director	38.03	(11%)
3.	Mr. Kaushal Shah*** Whole time Director	20.75	(14%)
4.	Mr. Krishnakumar Vaidyanathan**** Executive Director	116.94	NA
5.	Mrs. Vijaya Sampath Independent Director	5.08	87.88%
6.	Mr. Prashant Gupta Independent Director	5.08	72.22%
7.	Ms. Kalpana Unadkat Independent Director	2.99	NA
8.	Mr. Rajeev Dalal Independent Director	3.45	NA
9.	Mr. Kirit Shelat Independent Director (resigned on 11-09-2020)	1.97	(46.67%)
10.	Sachin Shah CFO	36.39	4%
11.	Milind Talegaonkar Company Secretary	10.19	8%

* Mr.Amit Bakshi opted to forgo the variable component of his remuneration and part of the salary amounting to Rs. 22.4 million.
** Mr. Inderjeet Negi opted to forgo the part of the salary amounting to Rs.1.05 million.
*** Mr. Kaushal Shah opted to forgo the part of the salary amounting to Rs.0.58 million.
**** The company has paid one time joining bonus to Mr. Krishnakumar Vaidyanathan amounting to Rs. 20 million.
# Includes sitting fees paid to Non-Executive Directors.

2. The percentage increase in the median remuneration of employees in the financial year: 28.30%

3. The number of permanent employees on the rolls of company: 3246

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

   The percentile increase in the managerial remuneration has been 19.76 % which is higher than the change in the remuneration of employees other than constituting managerial remuneration which register an increase of 5.01%. The change in the remuneration of field staff is made as per their sales performance as per a documented increment structure uniformly applied to the field staff. The managerial function is concerned with more critical issues which influence and determine the survival, continued growth, and the business direction for the company. The managerial talent is scarce and hence its retention is even more important. Managerial personnel form executive management and remain accountable to all the stakeholders of the company for business performance as well as corporate governance and therefore need to demonstrate balance of judgement and mature decision making in the backdrop of fast changing and increasingly complex industry landscape. These reasons justify the higher increase in the managerial remuneration.

5. Remuneration of Directors, KMP and other employees is in accordance with the Company's Remuneration Policy.

   Details pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Top 10 employees in terms of remuneration drawn during the year:

Name of Employee	Designation	Remuneration received	Qualifications	experience	Date of commencement of employment	Age (Approx)	Last employment	Percentage of equity shares held by the employee
Amit Bakshi	Managing Director	2,67,00,159	Indian School Certificate examination	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 20 years experience in the pharmaceutical industry.	January, 2007	46	Intas Pharmaceuticals Limited	40.28
Krishnakumar Vaidyanathan	Executive Director & COO	3,56,46,732	MBA in finance and B.Tech	He has more than 20 years of professional experience across Lifesciences, Corporate Finance and Management Consulting.	December, 2020	47	Ernst & Young LLP	0
Alok Mahajan	Vice President	1,27,47,457	PGDM Marketing	He has previously worked in marketing field for more than 20 years.	June, 2018	45	Ruchi Soya	0
Deepak Kapoor	Sr Vice President	1,19,05,032	B.Sc, IIM AMEDABAD CRASH COURSE	He has more than 30 years experience in the Pharmaceutical industry in sales and marketing	February, 2020	57	Sun Pharma	0
Inderjeet Singh Negi	Wholetime Director	1,15,91,663	Bachelor's degree in science	He has more than 21 years of experience in the pharmaceutical industry.	January, 2007	50	Intas Pharmaceuticals Limited	4.37
Sachin Shah	CFO	1,10,97,966	Chartered accountant	He has more than 11 years experience in Investment Banking and pharmaceutical industry.	January, 2013	41	Avendus Capital Private Limited	Negligible
Vijay S. Joshi	President	1,03,92,404	BSC	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 31 years experience in the pharmaceutical industry.	May, 2010	68	USV Group	Negligible
Santanu Rudra	Vice President	85,71,513	M Pharm	He has more than 26 years of experience in field of Pharmaceuticals.	August, 2018	51	Wockhardt Ltd.	0
Himanshu Shah	Assistant General Manager	73,23,942	Bachelor's degree in science, Diploma in pharmacy, Diploma in management	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 14 years experience in the pharmaceutical industry.	January, 2007	44	Intas Pharmaceuticals Limited	1.81

Manish Kapoor	Vice President	70,31,363	MBA	He has more than 23 years experience in Healthcare industry comprising of varied segments i.e Cardiovascular, Diabetes, Vaccine, nutraceuticals comprising of assignments in Sales, Training & Marketing	August, 2018	44	Sanofi	0

- Employees mentioned above are neither relatives of any directors or managers of the Company.
- All appointments are/were contractual in accordance with terms and conditions as per Company rules.

2. Other Employee(s) Drawing a remuneration of Rs. 1.02 Crore or above:

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
None									

3. Other Employee(s) Employed for part of the year with an average salary above Rs. 8.5 Lakh per month or above;

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
None									

4. Other Employee(s) employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
None									

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, 13th May, 2021

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

DISCLOSURE	INFORMATION/ REFERENCE
Corporate Identity Number of the Company	L24232GJ2007PLC049867
Name of the company	ERIS LIFESCIENCES LIMITED
Registered Address	8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015 IN
Website	https://eris.co.in/
Email id	complianceofficer@erislifesciences.com
Financial Year Reporting	Financial Year 2020-21
Sector(s) that the Company is engaged in (Industrial activity code wise)	Pharmaceuticals NIC Code- 2100
List three Key Products/ services that the Company manufactures/ provides (as in balance sheet).	Three key therapeutic areas in which the company operates are Anti-diabetics, Cardiac, nutritional supplements
Total Number of locations where business activity is undertaken by the Company –International or national	Our sales depots are widely located across the country. Up till now we have consciously chosen to focus on doing business at national level.
Markets served by the Company (Local/ State/ national/ international)	National

SECTION B : FINANCIAL DETAILS OF THE COMPANY

DISCLOSURE	INFORMATION/ REFERENCE
Paid-up Capital (Rs. in million)	Rs. 135.78/- As on 31st March, 2021
Total Turnover (Rs. in million)	Please refer to the financials section
Total profit after tax (Rs. in million)	Please refer to the financials section
Total spending on CSR (Rs. in million)	Refer CSR Report
List of activities in which CSR has been spent	1. Preventive medical screening at public places; 2. Education

SECTION C : OTHER DETAILS

DISCLOSURE	INFORMATION/ REFERENCE
Subsidiaries of the Company	The Company has four subsidiaries as on 31st March, 2021: 1. Aprica Healthcare Limited (Previously known as UTH Healthcare Limited) 2. Kinedex Healthcare Private Limited 3. Eris Healthcare Private Limited 4. Eris Pharmaceuticals Private Limited
Participation of subsidiaries in the Business Responsibility Initiatives	The Company impresses upon its subsidiaries to follow policies and practices to the extent applicable to it.
Participation of other entities (with which the Company does business) in the Business Responsibility Initiatives	Importance of doing business in a responsible and legally compliant manner is emphasized while dealing with all business partners.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION
PART-1

(a) Details of Director/Directors responsible for BR:

DIN	Name	Designation
01255388	Inderjeet Singh Negi	Wholetime Director
01250925	Amit Bakshi	Managing Director
01229038	Kaushal Shah$	Wholetime Director
08976508	Krishnakumar Vaidyanathan#	Executive Director
00641110	Vijaya Sampath	Independent Director
08122641	Prashant Gupta	Independent Director
00222650	Rajeev Dalal&	Independent Director
02490816	Kalpana Unadkat^	Independent Director

& Appointed w.e.f. 19.12.2020
$ Appointed w.e.f. 04.08.2020
#Appointed w.e.f. 20.12.2020
^ Appointed w.e.f. 05.01.2021

(b) Details of BR Head:
Name: Inderjeet Singh Negi
DIN: 01255388
Designation: Wholetime Director
Telephone number: 079 3045 1000
E-mail id: Complianceofficer@erislifesciences.com

PART-2

Principle- wise (as per National Voluntary Guidelines) BR Policy (ies)

(b) Deails of compliance (Reply in Y/N)

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formulated in consultation with relevant stakeholders? Note1	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national / international standards? If yes, specify? Note2	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been 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
	Policies are formulated at functional level and recommended to Board or its applicable committee for information and/or approval as the case may be. Signed copies thereof are issued on an 'as needed' basis by the MD or other KMPs.								
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
Indicate the link for the policy to be viewed online? Note3	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formally communicated to all relevant internal and external stakeholders? Note4	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the company have in-house structure to implement the policy(ies)	Y	Y	Y	Y	Y	Y	Y	Y	Y
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
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

Note1. The Policies have been formulated in consultation with the applicable stakeholders.
Note2. The Policies are based on and are in compliance with the applicable regulatory requirements.
Note3. The Policies of the Company are available on the website of the Company http://eris.co.in/policies/and the internal policies are available on the intranet of the Company.
Note4. The Policies have been communicated to the internal / external stakeholders depending upon their applicability to them.

Principle Wise Policy index:

P1	P2	P3	P4	P5	P6	P7	P8	P9
Code of Conduct Policy for Directors, Senior Management Personnel, Eris Code of Conduct Policy, Whistle Blower Policy, Prevention of Sexual Harassment Policy, Anti Bribery Policy, Policy And Procedure For Inquiry In Case Of Leak Or Suspected Leak Of Unpublished Price Sensitive Information	Eris Code of Conduct Policy	Code of Conduct Policy for Directors, Senior Management Personnel, Whistle Blower Policy, Prevention of Sexual Harassment Policy, Eris Code of Conduct Policy, Internal Policies of HR (Loan Policy, Maternity Leave Policy, etc.)	CSR Policy	Whistle Blower Policy, Prevention of Sexual Harassment Policy, CSR Policy	CSR Policy	Anti Bribery Policy	CSR Policy	Eris Code of Conduct Policy

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
The company has not understood the Principles									
The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	Not Applicable								
The company does not have financial or manpower resources available for the task									
It is planned to be done within next 6 months						Not Applicable			
Any other reason (please specify)									
Indicate the link for the policy to be viewed online? Note3									

PART-3 Governance related to BR

(a) Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –

The Board of Directors, its Committees, and KMP's assess the BR implications of every company action on a continuing basis.

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

Company's Annual Report includes Business Responsibility Report. The copy of the same is available on the website of the Company www.eris.co.in

SECTION E : PRINCIPLE WISE PERFORMANCE

PRINCIPLE 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?	No, it extends to all subsidiaries.
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.	Nil

PRINCIPLE 2	
List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	All the products and processes of the company are designed with due sensitivity to social and environmental concerns and risks.
For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The stated parameters in our case cannot be quantified with certainty.
Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably?	The company accords preference to local procurements. The rate of replenishment of resources are always borne in mind while sourcing all inputs.
Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Procurement of services from local providers belonging to the communities surrounding our places of work is always encouraged. Similarly the provider pool is kept wide and new / emerging providers are accorded preference. This preferential treatment in itself generates assurance about continuing business opportunities and encourages entrepreneurship at small/ medium level.
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 10%).	This aspect is regulated by applicable Bio-medical waste management.

PRINCIPLE 3	
Please indicate the Total number of employees	~3246
Please indicate the Total number of employees hired on temporary/contractual/casual basis	~70
Please indicate the Number of permanent women employees	~100
Please indicate the Number of permanent employees with disabilities	0
Do you have an employee association that is recognized by management	No
What percentage of your permanent employees is members of this recognized employee association?	0
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.	0
What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	
(a) Permanent Employees	Safety Training 100%, Skill Upgradation Training 70%
(b) Permanent Women Employees	Safety Training 100%, Skill Upgradation Training 70%
(c) Casual/Temporary/Contractual Employees	50%
(d) Employees with Disabilities	0%

PRINCIPLE 4	
Has the company mapped its internal and external stakeholders?	Yes
Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes
Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	The north-eastern states have by far remained desolate and unconnected from the developments in the rest of the country. The choice of setting up a manufacturing plant in Guwahati was guided, to a large extent, by the desire to bring about improvement in the socio-economic condition of the region.

PRINCIPLE 5	
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 policies of company are applicable to the group.
How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

PRINCIPLE 6	
Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	The said policies extend to the whole group
Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?	Company endeavors to remain compliant with the letter and spirit of all environmental laws.
Does the company identify and assess potential environmental risks?	Yes
Does the company have any project related to Clean Development Mechanism?	Not applicable for the year under review.
Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc	The operations of the Company being not very energy intensive, the point is not applicable to the company for the year under review.
Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

PRINCIPLE 7	
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, Gujarat Chamber of Commerce & Industry, Indian Drug Manufacturers' Association
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)	Not yet.

PRINCIPLE 8	
Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The choice of location of the company's manufacturing unit in the north eastern state was based to a large extent on this principle.
Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	A mix of both.
Have you done any impact assessment of your initiative?	Not required
What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.	Please refer CSR Report.
Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Please refer CSR Report.

PRINCIPLE 9	
What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Nil
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)	N.A. Claims / information in respect of pharmaceutical products are regulated by applicable laws. Such laws are duly complied with.
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.	Nil
Did your company carry out any consumer survey/ consumer satisfaction trends?	There are specialised agencies which perform this activity. Your company avails their services

STANDALONE
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eris Lifesciences Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 standalone 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, 2021, 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 standalone 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 Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Carrying value of investments in subsidiaries**	**Principal audit procedures performed:**
	Refer note 3 to the Standalone Financial Statements. Investments in subsidiaries of Rs. 2373.24 millions are accounted for at cost less impairment, if any, in the Standalone Balance Sheet as at March 31, 2021. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. Significant Management judgement is required in the area of impairment testing, particularly in assessing: (1) whether an event has occurred that may indicate that the investment values may not be recoverable; (2) whether the carrying value of investments can be supported by the recoverable amount, being the higher of fair value less costs to sell or the net present value of future cash flows which are estimated based on the continued use of the asset in the business; (3) the appropriateness of key assumptions to be applied in valuation including whether appropriate revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company.	Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. Our substantive testing procedures included evaluation of appropriateness of management's judgement whether any indicators of impairment existed by reviewing financial and other available information / data of the subsidiaries as at March 31, 2021. For those investments where indicators of impairment existed, we have examined management's judgement in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections.

	In view of the foregoing, valuation and allocation of investments in subsidiaries has been identified as a Key Audit Matter.	
2.	**Carrying values of acquired intangibles assets**	**Principal audit procedures performed:**
	Refer note 2(b) to the Standalone Financial Statements. As at March 31, 2021, the Company had Rs. 4863.94 millions of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of useful life and assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of estimate of useful life and existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. Our substantive testing procedures included evaluation of appropriateness of management's estimate in determination of useful life and judgement whether any indicators of impairment existed.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance, Report in Annual Report for the year ended March 31, 2021 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Standalone 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 standalone 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 standalone 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 standalone 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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)

Manoj H. Dama

(Partner)

(Membership No. 107723)

(UDIN: 21107723AAAAHP4546)

Mumbai, May 13, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

(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 Eris Lifesciences Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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, 2021, 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)

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 21107723AAAAHP4546)

Mumbai, May 13, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

(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 program 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) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the title deeds provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

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

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loan are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The loans are repayable on demand and payment of interest has been stipulated and interest payments have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations give to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(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, Goods and Services Tax, Custom Duty, 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, Goods and Services Tax, Custom Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) Details of Income Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in millions)	Amount Unpaid (Rs. in millions)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	2016-2017	0.08	0.08

No dues of Goods and Service Tax and Customs Duty which have not been deposited as on March 31, 2021 on account of disputes.

(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 3(viii) of the Order is not applicable.

(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 3(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 3(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 Standalone Financial Statements as required by the applicable Indian 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 3(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 subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) In our opinion and according to information and explanations given to us, 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)

Manoj H. Dama

(Partner)

(Membership No. 107723)

(UDIN: 21107723AAAAHP4546)

Mumbai, May 13, 2021

STANDALONE BALANCE SHEET
as at March 31, 2021

(₹. In Million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	728.36	789.01
(b) Right-of-use asset	2(a)	23.46	51.24
(c) Goodwill	2(b)	166.60	166.60
(d) Other Intangible assets	2(b)	4,924.81	4,999.55
(e) Intangible assets under development	2(b)	15.55	43.73
(f) Financial assets			
Investments	3	4,809.69	2,460.28
Loans	10	49.49	29.73
Other financial asset	5	450.10	52.64
(g) Income tax assets (net)	4(d)	34.63	34.47
(h) Deferred tax assets (net)	4(f)	1,967.47	1,641.65
(i) Other non-current assets	6	141.55	66.41
Total Non current assets		**13,311.71**	**10,335.31**
(2) Current assets			
(a) Inventories	7	648.46	654.60
(b) Financial assets			
Investments	3	503.97	742.74
Trade receivables	8	1,137.57	1,408.22
Cash and cash equivalents	9(a)	313.48	649.31
Other bank balances	9(b)	13.10	0.19
Loans	10	351.60	32.84
Other financial asset	5	464.85	85.36
(c) Other current assets	6	803.30	922.71
Total Current assets		**4,236.33**	**4,495.97**
TOTAL- ASSETS		**17,548.04**	**14,831.28**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.78	135.78
(b) Other Equity	12	15,618.89	12,861.23
Total Equity		**15,754.67**	**12,997.01**

(₹. In Million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
(2) Non Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	13	33.03	48.54
Other financial liabilities	13	-	18.93
(b) Long-term provisions	14	290.86	241.32
(c) Other non-current liabilities	15	24.92	31.07
Total Non Current Liabilities		**348.81**	**339.86**
(3) Current liabilities			
(a) Financial Liabilities			
Trade payables	16		
A) Due to Micro and Small Enterprises		44.46	32.39
B) Due to other than Micro and Small Enterprises		822.61	866.88
Lease Liabilities	13	20.39	56.94
Other financial liabilities	13	74.90	14.90
(b) Short-term provisions	14	268.69	297.58
(c) Other current liabilities	15	138.44	172.30
(d) Income tax liabilities (net)	4(e)	75.07	53.42
Total Current Liabilities		**1,444.56**	**1,494.41**
Total Liabilities		**1,793.37**	**1,834.27**
TOTAL- EQUITY AND LIABILITIES		**17,548.04**	**14,831.28**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
REVENUE:			
Revenue from operations	17		
Sale of products		10,886.45	10,037.60
Other operating income		201.89	164.71
Total Revenue from Operations		**11,088.34**	**10,202.31**
Other income	18	99.98	147.28
Total Revenue (I)		**11,188.32**	**10,349.59**
EXPENSES:			
(a) Cost of materials consumed	19	994.26	768.81
(b) Purchases of stock-in-trade		1,116.54	700.02
(c) Changes in inventories of finished goods, work-in-progress an stock-in-trade	20	(125.69)	174.72
(d) Employee benefits expense	21	2,070.16	1,917.32
(e) Other expenses	22	2,859.93	3,085.44
Total (II)		**6,915.20**	**6,646.31**
Profit before interest, tax, depreciation and amortisation (I - II)		**4,273.12**	**3,703.28**
Finance costs	23	7.78	18.54
Depreciation and amortisation expense	2	376.40	448.82
Profit before tax		**3,888.94**	**3,235.92**
Tax expenses :	4		
(a) Current tax		701.84	574.92
(b) Deferred tax		(318.95)	(251.74)
Total tax expense		**382.89**	**323.18**
Profit for the year		**3,506.05**	**2,912.74**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(19.67)	(18.00)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		6.87	6.29
		(12.80)	(11.71)

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Total Comprehensive Income for the year		**3,493.25**	**2,901.03**
Earnings per equity share of face value ₹1 each			
Basic (₹)	24	25.82	21.23
Diluted (₹)		25.80	21.21

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	**3,888.94**	**3,235.92**
Adjustments for:		
Depreciation and amortisation expense	376.40	448.82
Net Loss on property plant and equipment sold/written off	0.06	5.03
Finance costs	7.78	18.54
Dividend income	-	(0.03)
Interest income	(38.81)	(14.28)
Provision for doubtful debt/other financial assets	65.10	18.78
Deferred Capital Subsidy	(9.91)	(15.03)
Net gain on sale of investments	(28.55)	(91.67)
Net (gain) / loss on investments carried at fair value through profit or loss	(21.22)	7.58
Gain From Termination Of Lease Ind As 116	(0.98)	(0.75)
Share based payment expense	11.20	16.61
Operating profit before working capital changes	**4,250.01**	**3,629.52**
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade receivables	265.65	(668.02)
Inventories	6.14	92.43
Other asset	131.53	(194.33)
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	(32.15)	150.07
Financial Liabilities	42.38	(3.00)
Provisions	0.98	163.95
Other Liabilities	(30.10)	(14.75)
Cash generated from operations	**4,634.44**	**3,155.87**
Net income tax paid	(680.35)	(503.37)
Net cash flow from operating activities (A)	**3,954.09**	**2,652.50**

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(256.16)	(1,487.21)
Proceeds from sale of property plant and equipment	0.38	41.41
Consideration paid towards investment in subsidiary	-	(213.73)
Investments in mutual funds and fixed deposit	(3,720.50)	(378.38)
Proceeds from redemption of mutual funds and Shares	769.15	3,172.85
Proceeds from redemption of investments in Bonds of subsidiaries	55.00	120.00
Loan given to Subsidiaries	(319.64)	(10.00)
Loan repaid by Subsidiaries	10.00	-
Loan to Others repayment received	1.11	16.12
Loan to Others given	(30.00)	(5.00)
Bank balances not considered as cash and cash equivalents-Placed	(12.91)	(0.12)
Dividend income	-	0.03
Interest income	24.93	11.42
Net cash flow from investing activities (B)	**(3,478.64)**	**1,267.39**
C. Cash flow from financing activities		
Repayment of borrowings	-	(1,750.00)
Finance costs	(7.57)	(15.17)
Lease payment	(56.92)	(83.49)
Buy back of shares	-	(1,000.00)
Buy back expense	-	(16.77)
Dividend and dividend distribution tax paid	(746.79)	(469.79)
Net cash used in financing activities (C)	**(811.28)**	**(3,335.22)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(335.83)**	**584.67**
Cash and cash equivalents at the beginning of the year	**649.31**	**64.64**
Cash and cash equivalents at end of the year {Refer note-9(a)}	**313.48**	**649.31**

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹. In Million)

Cash on hand	0.43	0.27
Balance with banks		
In Current Account	262.31	637.10
Cheque in hand	50.74	11.94
Cash and Cash Equivalents as per Cash flow statement	**313.48**	**649.31**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

(₹. In Million)

A. Equity Share Capital

Particulars (refer note-11)	Amount
As at April 1, 2019	**137.52**
Change in Equity Share Capital (Pursuant to buy back of shares) (Refer note 11.6)	(1.74)
As at March 31, 2020	**135.78**
Change in Equity Share Capital	-
As at March 31, 2021	**135.78**

(₹. In Million)

B. Other Equity

Particulars (refer note-12)	Retained Earnings	General Reserve	Security Premium	Share based payment reserve	Capital redemption reserve	Total Other Equity
As at April 1, 2019	**11,390.11**	**7.00**	**13.49**	**11.95**	**-**	**11,422.55**
Add: Profit for the year	2,912.74	-	-	-	-	2,912.74
Less: Buy Back expense	(10.91)	-	-	-	-	(10.91)
Less: Buy Back of equity shares (Refer note 11.6)	(979.51)	(7.00)	(13.49)	-	-	(1,000.00)
Add: Transfer to capital redemption reserve on buy back of equity shares	-	-	-	-	1.74	1.74
Add: Other comprehensive Income for the year	(11.71)	-	-	-	-	(11.71)
Add: Share based payments to employees of the company	-	-	-	16.61	-	16.61
Less: Payment of Dividend	(389.69)	-	-	-	-	(389.69)
Less: Payment of Dividend distribution tax	(80.10)	-	-	-	-	(80.10)
As at March 31, 2020	**12,830.93**	**-**	**-**	**28.56**	**1.74**	**12,861.23**
Add: Profit for the year	3,506.05	-	-	-	-	3,506.05
Add: Other comprehensive Income for the year	(12.80)	-	-	-	-	(12.80)
Less: Payment of Dividend	(746.79)	-	-	-	-	(746.79)
Add: Share based payments to employees of the company	-	-	-	11.20	-	11.20
As at March 31, 2021	**15,577.39**	**-**	**-**	**39.76**	**1.74**	**15,618.89**

See accompanying notes forming part of the standalone financial statements
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at 8th Floor, Commerce House- IV, Prahladnagar, Ahmedabad - 380015, Gujarat, India. The Company is engaged in the manufacture and marketing of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1 : Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act.

(B) Historical Cost Convention

"The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.3)
- Useful lives of property, plant and equipment (refer note 1.4)
- Useful lives of intangible assets (refer note 1.5)
- Impairment of asset (refer note 1.8)
- Valuation of inventories (refer note 1.9)
- Employee benefits (refer note 1.13)
- Valuation of deferred tax assets (refer note 1.14)
- Provisions & contingent liabilities (refer note 1.15)
- Impact of COVID on Business and Financial statements (refer note 25)

1.3 Revenue recognition:

a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/ construction net of recoverable taxes less accumulated depreciation/ amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than 'Freehold Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets were put to use.

1.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below:

Type of intangible assets	Useful life
Trademark/Brands	Upto 50 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.6 Business combinations and Goodwill

1.6.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

1.6.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.7 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The company measures equity investments other than investments in subsidiaries at FVTPL in accordance with the requirements of IND AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per IND AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.8 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.9 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads.

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.10 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the company's cash management.

1.11 Borrowings:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.12 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the profit or loss attributable to the owners of the company by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.13 Employee Benefits:

(A) Defined contribution plan:

The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.14 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for:

a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.16 Leases:

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred

and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer Note 33)

1.17 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.18 Government Grant:

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.19 Perpetual bond:

The company invests in unsecured subordinated perpetual securities. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

1.20 Share-based payment transactions:

Employees Stock Options Plans (ESOP): Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 2: Property, Plant and Equipment and Intangible Assets
(a) Property, Plant and Equipment:

(₹. In Million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Right of use asset (Refer note 33)	Total
Gross carrying amount:									
As at March 31, 2019	**31.03**	**190.14**	**201.00**	**122.80**	**446.40**	**66.49**	**3.35**	**-**	**1,061.21**
Additions during the Year	-	135.83	154.68	15.34	100.01	73.95	32.77	179.80	692.38
Deductions during the Year	8.05	-	-	0.36	213.44	-	-	2.87	224.72
As at March 31, 2020	**22.98**	**325.97**	**355.68**	**137.78**	**332.97**	**140.44**	**36.12**	**176.93**	**1,528.87**
Additions during the Year	-	-	0.62	50.74	80.81	29.78	-	5.84	167.79
Deductions during the Year	-	-	1.32	-	0.12	-	-	-	1.44
As at March 31, 2021	**22.98**	**325.97**	**354.98**	**188.52**	**413.66**	**170.22**	**36.12**	**182.77**	**1,695.22**
Accumulated depreciation:									
As at March 31, 2019	**-**	**52.59**	**97.23**	**48.72**	**301.32**	**21.19**	**1.83**	**-**	**522.88**
Depreciation for the Year	-	18.50	35.65	26.79	91.25	40.23	4.21	127.39	344.02
Deductions during the Year	-	-	-	0.25	176.33	-	-	1.70	178.28
As at March 31, 2020	**-**	**71.09**	**132.88**	**75.26**	**216.24**	**61.42**	**6.04**	**125.69**	**688.62**
Depreciation for the Year	-	23.56	46.86	24.32	84.27	35.37	7.78	33.62	255.78
Deductions during the Year	-	-	0.94	-	0.06	-	-	-	1.00
As at March 31, 2021	**-**	**94.65**	**178.80**	**99.58**	**300.45**	**96.79**	**13.82**	**159.31**	**943.40**
Net carrying amount									
As at March 31, 2020	**22.98**	**254.88**	**222.80**	**62.52**	**116.73**	**79.02**	**30.08**	**51.24**	**840.25**
As at March 31, 2021	**22.98**	**231.32**	**176.18**	**88.94**	**113.21**	**73.43**	**22.30**	**23.46**	**751.82**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(b) Intangible Assets:

(₹. In Million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2019	**166.60**	**4,220.90**	**50.00**	**19.34**	**4,290.24**
Additions during the year	-	960.20	-	10.61	970.81
Deductions during the Year	-	-	-	-	-
As at March 31, 2020	**166.60**	**5,181.10**	**50.00**	**29.95**	**5,261.05**
Additions during the year	-	0.01	-	45.87	45.88
Deductions during the Year	-	-	-	-	-
As at March 31, 2021	**166.60**	**5,181.11**	**50.00**	**75.82**	**5,306.93**
Accumulated Amortisation:					
As at March 31, 2019	**-**	**122.63**	**26.44**	**7.63**	**156.70**
Amortisation for the Year	-	90.75	10.02	4.03	104.80
As at March 31, 2020	**-**	**213.38**	**36.46**	**11.66**	**261.50**
Amortisation for the Year	-	103.79	10.00	6.83	120.62
As at March 31, 2021	**-**	**317.17**	**46.46**	**18.49**	**382.12**
Net carrying amount					
As at March 31, 2020	**166.60**	**4,967.72**	**13.54**	**18.29**	**4,999.55**
As at March 31, 2021	**166.60**	**4,863.94**	**3.54**	**57.33**	**4,924.81**
Intangible assets under development					
As at March 31, 2020	**-**	**-**	**-**	**43.73**	**43.73**
As at March 31, 2021	**-**	**-**	**-**	**15.55**	**15.55**

Note:

1. The Company tests goodwill on an annual basis or based on an indicator. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

The key assumptions for CGUs with significant amount of goodwill as follows:

a) Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

b) Discount rate applied to projected cash flow is 12%.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 166.60 millions generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 3: Investments

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Non current investments				
(I) At cost				
In equity instruments of subsidiaries (unquoted) (fully paid up) (Refer note 26)				
Equity shares of ₹10 each held in Kinedex Healthcare Private Limited	1,82,504	56.92	1,82,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	73,45,361	1,166.32	73,45,361	1,166.32
Equity shares of ₹10 each held in Eris Healthcare Private Limited (Formerly known as Strides Healthcare Private Limited)	43,33,331	900.00	43,33,331	900.00
In Unsecured Perpetual Securities of subsidiaries (Refer note 26 & 3.2 below)				
Perpetual securities of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	2,50,00,000	250.00	3,05,00,000	305.00
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.00	-	-
(II) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	401.71	-	-
ABSL Banking PSU Fund Growth Direct	1,72,981	50.12	-	-
HDFC Ultra Short Fund Direct Growth	3,35,59,812	400.68	-	-
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	381.92	-	-
ABSL Low Duration Fund Growth Direct	6,44,241	355.67	-	-
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	355.74	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	453.42	-	-
Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.21	1,000	1.11
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.19	1,000	1.19
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.17	1,000	1.12
Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
Total (I)+(II)		**4,809.69**		**2,460.28**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Aggregate carrying value of quoted investments		3.57		3.42
Aggregate market value of quoted investments		3.57		3.42
Aggregate carrying value of unquoted investments		4,806.12		2,456.86
Current investments				
(I) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Franklin India Credit Risk Fund Direct Growth	-	-	1,75,37,091	347.31
SBI Overnight Fund Direct Growth	-	-	1,00,963	328.51
SBI Premier Liquid Fund Direct Growth	72,092	232.25	-	-
HDFC Liquid Fund Direct Plan Growth Option	67,165	271.72	-	-
Kotak Mutual Fund Bond (Short Term) Direct Growth	-	-	16,68,356	66.92
Total		**503.97**		**742.74**

3.1 Details of pledged securities:

Include ₹350.00 million (31-03-2020 - ₹414.23 million) marked under lien against overdraft facilities availed by the company.

3.2 Details of perpetual securities:

In the financial year 2018-19, the company has invested in unsecured subordinated perpetual securities issued by Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) and Kinedex Healthcare Private Limited, its subsidiary companies. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4: Income Taxes

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	701.84	574.92
Deferred tax:		
Deferred tax (benefit) for current year	(318.95)	(251.74)
	382.89	**323.18**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(6.87)	(6.29)
	(6.87)	**(6.29)**
(c) Reconciliation of tax expense :		
Profit before income taxes	3,888.94	3,235.92
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,358.95	1,130.76
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	77.55	58.61
Effect of income exempt from taxation	(0.93)	(1.10)
Tax incentives	(1,056.82)	(824.63)
Adjustment of current tax of prior year	2.59	0.15
Others (net)	(5.32)	(46.90)
Adjusted income tax expense	376.02	316.89
Effective Tax Rate	9.67%	9.79%

(d) Income Tax Assets:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	34.47	67.13
Less: Prior period adjustment	0.51	(0.20)
Add: Tax paid in advance, net of provisions/(Refund) during the year	0.67	(32.86)
Closing Balance	**34.63**	**34.47**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(e) Income Tax Liabilities:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	53.42	14.53
Add: Prior period adjustment	2.08	0.35
Add: Current tax payable for the year	699.25	574.77
Less: Taxes paid	(679.68)	(536.23)
Closing Balance	**75.07**	**53.42**

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(f) Deferred tax relates to :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	134.26	140.63
Minimum Alternate Tax credit entitlement	2,768.02	2,197.76
Employee benefits	53.10	66.55
Other	17.32	1.26
	2,972.70	**2,406.20**
Deferred tax liabilities		
Intangible assets	1,000.70	758.97
Fair Valuation of Investment	4.53	5.58
	1,005.23	**764.55**
Total	**1,967.47**	**1,641.65**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	Property, plant and equipments	Minimum Alternate Tax credit entitlement	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :							
At April 1, 2019	**94.08**	**1,817.98**	**42.17**	**(503.47)**	**(81.55)**	**8.55**	**1,377.76**
Charged/(Credited)							
- To Profit or Loss	(46.55)	(373.92)	(18.09)	255.50	(75.97)	7.29	(251.74)
- To Other equity	-	(5.86)	-	-	-	-	(5.86)
- To other comprehensive Income	-	-	(6.29)	-	-	-	(6.29)
At March 31, 2020	**140.63**	**2,197.76**	**66.55**	**(758.97)**	**(5.58)**	**1.26**	**1,641.65**
Charged/(Credited)							
- To Profit or Loss	6.37	(570.26)	20.32	241.73	(1.05)	(16.06)	(318.95)
- To other comprehensive Income	-	-	(6.87)	-	-	-	(6.87)
At March 31, 2021	**134.26**	**2,768.02**	**53.10**	**(1,000.70)**	**(4.53)**	**17.32**	**1,967.47**

Note 5: Other Financial Assets

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current (Considered Good)		
Security deposits	27.40	23.80
Receivable on sale of Investment in subsidiary	-	4.98
Fixed Deposits	422.70	-
Other receivables	-	23.86
	450.10	**52.64**
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	2.09	1.04
Fixed Deposits	420.29	-
Interest accrued	0.08	0.10
Security deposits	36.04	29.44
Receivable on sale of Investment in subsidiary		
- Considered Good	-	6.00
- Considered doubtful	12.00	-
Less: Allowance for doubtful of recovery	(12.00)	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims and Other receivables		
- Considered Good	6.35	48.78
- Considered doubtful	48.10	-
Less: Allowance for doubtful of recovery	(48.10)	-
	464.85	**85.36**
Total	**914.95**	**138.00**

Note 6: Other Assets

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Capital Advances	141.55	43.82
Other Advances	-	22.59
	141.55	**66.41**
Current		
Prepaid expenses	53.59	42.33
Balances with government authorities		
GST /Cenvat credit receivable	187.35	384.26
Others	2.14	1.83
Advances to supplier	556.88	489.07
Advances to employees	3.34	5.22
	803.30	**922.71**
Total	**944.85**	**989.12**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 7: Inventories

(At lower of cost and net realisable value)

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Material and Packing Material {including goods-in-transit ₹2.03 Million (31-03-2020 - ₹ 19.13 Million)}	168.64	300.47
Work-in-progress	26.42	32.77
Finished goods	252.16	195.85
Stock-in-trade {including goods-in-transit ₹9.59 Million (31-03-2020- ₹3.02 Million)}	198.37	122.64
Stores, spares & consumables	2.87	2.87
Total	**648.46**	**654.60**

Note 8: Trade receivables

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Considered good	-	-
Unsecured Considered good	1,137.57	1,408.22
Trade Receivables which have significant increase in Credit Risk	25.18	20.18
Trade Receivables-credit impaired	-	-
	1,162.75	**1,428.40**
Less: Allowance for doubtful debt (expected credit loss)	25.18	20.18
Total	**1,137.57**	**1,408.22**

Movements in allowance for doubtful trade receivables

Opening Balance	**20.18**	**2.20**
Add : Provision during the year	5.00	18.75
Less : Utilisation during the year	-	(0.77)
Closing Balance	**25.18**	**20.18**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9: Cash and cash equivalents

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash and cash equivalents		
Cash on hand	0.43	0.27
Balances with banks in current accounts*	262.31	637.10
Cheque in hand	50.74	11.94
	313.48	**649.31**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST Department and Tender deposit	13.10	0.19
Total	**326.58**	**649.50**

*Includes Unclaimed Dividend of ₹ 0.45 million (Previous year ₹ 0.96 million).

Note 10: Loans

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
Loans Receivables considered good - Unsecured	49.49	29.73
	49.49	**29.73**
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	319.64	10.01
To others	31.96	22.83
Loans Receivables from others which have significant increase in Credit Risk	5.19	5.82
Loans Receivables - credit impaired	-	-
	356.79	**38.66**
Less: Allowance for doubtful loan to others	(5.19)	(5.82)
	351.60	**32.84**
Total	**401.09**	**62.57**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 11: Share capital

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,57,80,653 (Previous year 13,57,80,653) Equity Shares of ₹1 each fully paid up	135.78	135.78
Total	**135.78**	**135.78**

11.1 : Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	(₹. In Million)
Shares outstanding at March 31, 2019	13,75,19,783	137.52
Buy Back during the year : (Refer note 11.6)	(17,39,130)	(1.74)
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78

11.2: Aggregate number and class of shares allotted as fully paid up bonus shares during the period of 5 years immediately preceding the balance sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares					
Bonus shares issued during the year	-	-	-	-	13,61,25,000

11.3: Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,46,98,423	40.28	5,46,98,423	40.28
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.55	1,56,84,407	11.55
3. Bhikhalal Chimanlal Shah	88,92,430	6.55	88,92,430	6.55
4. Emerald Investments Limited	74,77,132	5.51	74,75,780	5.51

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

11.4: Terms / Rights attached to the equity shares:

The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 their shareholding.

11.5: Share options granted under the Company's employee share option plan:

The Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6: Buy back of shares:

During the previous year, as on January 22, 2020, the Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹ 575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7:Dividend:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 5.50/- (at the rate of 550 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2020-21 at its meeting held on August 4, 2020.

Note 12: Other Equity

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings	15,577.39	12,830.93
Share based payment reserve	39.76	28.56
Capital redemption reserve	1.74	1.74
Total	**15,618.89**	**12,861.23**

Nature and purpose of reserves:

Retained Earnings:
Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve:
The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve :
The Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Interim Dividend :
The Board of Directors of the Company has declared and paid an interim dividend of ₹5.50/- (at the rate of 550 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2020-21 at its meeting held on August 4, 2020.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 13: Other financial liabilities

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
Trade deposits	-	18.93
Lease Liability	33.03	48.54
	33.03	**67.47**
Current		
Book overdraft *	70.23	8.41
Dividend Payable	0.45	0.96
Lease Liability	20.39	56.94
Payable towards purchase of fixed assets	4.22	5.53
	95.29	**71.84**
Total	**128.32**	**139.31**

* Mutual funds are marked as lien against OD Limit (Refer note 3).

Note 14: Provisions

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Long Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	62.87	52.94
Provision for sales returns (Refer note below)	227.99	188.38
	290.86	**241.32**
Short Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	35.84	29.04
Gratuity	13.49	79.90
Provision for sales returns (Refer note below)	219.36	188.64
	268.69	**297.58**
Total	**559.55**	**538.90**

Provision for sales returns:

The Company, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Provision	377.02	248.23
Add : Provision during the year	240.40	198.41
Less : Utilisation during the year	170.07	69.62
Closing Provision	447.35	377.02
Long Term	227.99	188.38
Short Term	219.36	188.64
Total	**447.35**	**377.02**

Note 15: Other liabilities

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Deferred Capital Subsidy Non current*	24.92	31.07
	24.92	**31.07**
Current		
Statutory liabilities	118.09	153.07
Advances from customers	12.78	7.90
Deferred Capital Subsidy Current*	7.57	11.33
	138.44	**172.30**
Total	**163.36**	**203.37**

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

Note 16: Trade payables

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Due to micro and small enterprises (refer note-35)	44.46	32.39
Due to others	822.61	866.88
Total	**867.07**	**899.27**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 17: Revenue from operations

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Sale of products (Refer note 36)	10,886.45	10,037.60
Other operating income		
Goods and Services Tax refund	189.76	153.96
Others	12.13	10.75
	201.89	**164.71**
Total	**11,088.34**	**10,202.31**
Revenue as per contracted price, net of returns	11,160.49	10,240.11
Less : Provision for sales return	240.40	198.41
Less : Scheme, discount and others	33.64	4.10
Revenue from contracts with customers	10,886.45	10,037.60

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 18: Other income

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest income	38.81	14.28
Dividend income	-	0.03
Net gain on sale of investments	28.55	91.67
Net (loss) / gain on investments carried at fair value through profit or loss	21.22	(7.58)
Deferred Capital Subsidy (Refer note 18.1)	9.91	15.03
Miscellaneous income	1.49	33.85
Total	**99.98**	**147.28**

Note 18.1: Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 19: Cost of material consumed

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Raw materials and packing materials		
Opening stock	300.47	217.48
Add: Purchases during the year	862.43	851.80
Less: Closing stock	(168.64)	(300.47)
Total	**994.26**	**768.81**

Note 20: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventories at the beginning of the year		
Stock-in-trade	122.64	326.75
Finished goods	195.85	179.52
Work-in-progress	32.77	19.71
	351.26	**525.98**
Inventories at the end of the year		
Stock-in-trade	198.37	122.64
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	476.95	**351.26**
Net (Increase) / decrease in Stock	**(125.69)**	**174.72**

Note 21: Employee benefits expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages and bonus	1,824.74	1,727.05
Contribution to provident and other funds	126.29	108.71
Share based payments to employees	11.20	16.61
Staff welfare expenses	107.93	64.95
Total	**2,070.16**	**1,917.32**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 22: Other Expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Power and fuel	38.93	45.43
Consumption of stores and spares (Indigenous)	36.03	72.05
Labour and security	22.73	19.14
Testing charges	4.94	6.29
Rent	16.65	77.25
Formulation Development Expense	50.92	41.96
Freight and forwarding	166.46	148.00
Commission	157.62	153.48
Advertising, publicity and awareness	112.23	176.02
Repairs and maintenance	35.54	34.17
Selling and distribution	662.48	833.22
Representative Allowance	436.91	410.45
Travelling and conveyance	187.31	372.65
Communication	10.59	9.79
Legal and professional	353.46	278.74
Rates and taxes	51.84	58.41
Insurance	10.72	7.77
Payments to auditors (Refer note below)	4.59	3.83
Royalty Expense	4.06	6.85
Corporate social responsibility expenditure (Refer note 31)	81.91	54.83
Loss on property plant and equipment sold/written off	0.18	37.12
Donations	0.38	0.25
Bank charges	1.58	1.13
Provision for doubtful debt / other financial assets	65.10	18.78
Miscellaneous	346.77	217.83
Total	**2,859.93**	**3,085.44**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Statutory Audit fee	3.00	2.50
Reimbursement of expenses	0.09	0.02
Certification fees and other services	1.50	1.31
Grand Total	**4.59**	**3.83**
Certification fees and other services charged, debited to other than profit or loss	-	0.75
Grand Total	**4.59**	**4.58**

Note 23: Finance cost

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expense	0.11	0.90
Interest on financial liabilities at amortised cost	1.15	4.58
Interest on Lease Liability	6.52	13.06
Total	**7.78**	**18.54**

Note 24: Earnings per share

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net profit after tax for the year (₹ in million)	3,506.05	2,912.74
Weighted average number of equity shares outstanding for basic earning per share	13,57,80,653	13,71,87,163
Add : Dilutive share-Employees stock options outstanding	1,02,609	1,15,728
Weighted average number of equity shares outstanding for diluted earning per share	13,58,83,262	13,73,02,891
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	25.82	21.23
Diluted earnings per share (in ₹)	25.80	21.21

Note 25: Impact of COVID on Business and Financial statements

The Company continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Company's financial statements for the year ended March 31, 2021.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 26: MERGERS AND ACQUISITION

Note 26.1: Amalgamation and Demerger of subsidiary companies

During the Financial Year 2020-21, pursuant to the composite scheme of arrangement under section 230 to 232 of the Companies Act, 2013, Pain division of Kinedex Healthcare Private Limited is demerged and subsequently merged into Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) with effect from Appointed date April 1, 2019 and Eris Therapeutics Private Limited and Aprica Healthcare Limited are merged into Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) with effect from Appointed date January 1, 2020.

Note 26.2: Acquisition of investment in subsidiary

During the Financial Year 2019-20, the Company has acquired remaining 17.81% shareholding on April 06, 2019 for a consideration of ₹ 213.73 million in Kinedex Healthcare Private Limited making it a wholly owned subsidiary.

Note 27: EMPLOYEE BENEFIT PLANS

A) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹75.10 million (Previous Year ₹58.51 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized ₹5.15 million (Previous year ₹8.89 million) for ESIC contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹23.83 million (Previous Year ₹22.09 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Company's financial statements as at March 31, 2021:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**127.49**	**95.76**
Current Service Cost	18.34	16.91
Transfer in/(out) obligation	1.61	3.16
Interest Cost	5.90	5.92
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	0.90	4.68
- Due to change in Demographic Assumptions	-	3.14
- Due to experience adjustments	18.76	8.38
Benefits paid	(11.58)	(10.46)
Obligations at the end of the year	**161.42**	**127.49**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**47.59**	**54.75**
Interest Income	2.03	3.60
Return on plan assets excluding interest income	(0.01)	(1.80)
Employer Contributions	109.90	1.50
Benefits paid	(11.58)	(10.46)
Fair Value of plan assets at the end of the year	**147.93**	**47.59**

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**161.42**	**127.49**
Less : Fair value of plan assets	(147.93)	(47.59)
Funded status (deficit)	13.49	79.90
Net liability recognised in the financial statement	**13.49**	**79.90**

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	18.34	16.91
Interest Cost Net	3.87	2.32
Expense charged to the statement of profit and loss	**22.21**	**19.23**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	0.01	1.80
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	0.90	4.68
- Due to change in Demographic Assumptions	-	3.14
- Due to experience adjustments	18.76	8.38
Expense charged to other comprehensive income	**19.67**	**18.00**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Assumptions:		
Discount rate	5.20%	5.45%
Estimated rate of return on plan assets	5.20%	5.45%
Annual increase in salary costs	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
Retirement age	60 years	58 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	159.64	126.03
Decrease of 0.5% in discount rate	163.27	129.00
Increase of 0.5% in salary escalation rate	163.14	128.89
Decrease of 0.5% in salary escalation rate	159.75	126.12
Expected future Cash outflows towards the plan are as follows :		
Year 1	61.72	40.03
Year 2	33.57	28.30
Year 3	25.70	20.51
Year 4	18.78	15.65
Year 5	13.50	11.04
Year 6 to 10	25.48	21.26

Investment details of plan assets:

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer managed funds with Life Insurance Corporation of India	94%	82%
Bank Balance with Eris lifesciences limited employees group gratuity trust	6%	18%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by company for gratuity during financial year ending March 31, 2022 is ₹13.49 million (previous year ₹79.90 million).

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 28: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹. In Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	1,137.57	1,137.57	1,408.22	1,408.22
Cash and cash equivalents	313.48	313.48	649.31	649.31
Other bank balances	13.10	13.10	0.19	0.19
Investment in tax free bonds	5.00	5.00	-	-
Loans	401.09	401.09	62.57	62.57
Other Financial Asset	914.95	914.95	138.00	138.00
Fair value through profit or loss :				
Investment in mutual funds	2,903.23	2,903.23	742.74	742.74
Investment in tax free bonds	3.57	3.57	3.42	3.42
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Total	**5,720.61**	**5,720.61**	**3,033.07**	**3,033.07**
Financial Liabilities :				
Amortised cost :				
Trade payables	867.07	867.07	899.27	899.27
Other financial liabilities	74.90	74.90	33.83	33.83
Lease Liability	53.42	53.42	105.48	105.48
Total	**995.39**	**995.39**	**1,038.58**	**1,038.58**

(ii) Fair value hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	2,903.23	-	-	2,903.23
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	**2,906.80**	**-**	**28.62**	**2,935.42**
Financial Liabilities:	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**2,906.80**	**-**	**28.62**	**2,935.42**

(₹. In Million)

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	742.74	-	-	742.74
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.42	-	-	3.42
Total	**746.16**	**-**	**28.62**	**774.78**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**746.16**	**-**	**28.62**	**774.78**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in mutual funds:

The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments:

Fair value of Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management:

The Company's activities are exposed to variety of financial risks. These risks include market risk, credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. The Company is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Company invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 2,906.80 million and ₹ 746.16 million as at March 31, 2021 and March 31, 2020 respectively.

(b) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 5,720.61 million and ₹ 3,033.07 million as at March 31, 2021 and March 31, 2020 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows :

(₹. In Million)

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Trade payables	867.07	-	-
Other financial liabilities	74.90	-	-
Lease Liability	24.08	23.68	14.49
	966.05	**23.68**	**14.49**

(₹. In Million)

As at March 31, 2020	Less than 1 year	1-3 years	More than 3 years
Trade payables	899.27	-	-
Other financial liabilities	14.90	-	18.93
Lease Liability	63.12	32.45	24.27
	977.29	**32.45**	**43.20**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

Note 29: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the entity
1	**Subsidiaries**	
		Eris Therapeutics Private Limited (Merged in UTH Healthcare Limited w.e.f January 1, 2020)
		Aprica Healthcare Limited (Merged in UTH Healthcare Limited w.e.f January 1, 2020)
		Kinedex Healthcare Private Limited (Demerged 'PAIN' division merged in UTH Healthcare Limited w.e.f. April 1, 2019)
		Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)
		Eris Healthcare Private Limited (Formerly known as Strides Healthcare Private Limited)
		Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020)
2	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director (From August 04, 2020)	Mr. Kaushal Shah
	Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
	Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
	Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
	Independent Director	Mrs. Vijaya Sampath
	Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
	Independent Director	Mr. Prashant Gupta
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar
3	**Close family member of Key Management Personnel**	
	Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
4	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

B) Total Transactions with related parties are as follows:

(₹. In Million)

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Investment in / (Redemption of) Perpetual bond	-	(120.00)	-	-	-	-	-	-	-	(120.00)
Loans and Advances Given	316.50	10.00	-	-	-	-	-	-	316.50	10.00
Sales of Finished goods	208.76	80.56	-	-	-	-	-	-	208.76	80.56
Sales of Stock-in-trade	-	2.31	-	-	-	-	-	-	-	2.31
Purchases of Stock-in-trade	47.01	46.67	-	-	-	-	-	-	47.01	46.67
Royalty Income	9.73	6.09	-	-	-	-	-	-	9.73	6.09
Interest Income	15.95	0.02	-	-	-	-	-	-	15.95	0.02
Royalty Expense	4.06	6.84	-	-	-	-	-	-	4.06	6.84
Reimbursement of expense incurred	-	3.16	1.55	-	-	-	-	-	1.55	3.16
Remuneration	-	-	93.72	86.70	-	-	-	-	93.72	86.70
Sitting fees	-	-	3.00	2.85	-	-	-	-	3.00	2.85
Commission	-	-	2.69	-	-	-	-	-	2.69	-
Salary expense	-	-	-	-	0.65	4.24	-	-	0.65	4.24
Contribution to Post-employment benefit plan	-	-	-	-	-	-	41.88	38.88	41.88	38.88

(B) Balances at the end of the year	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**
Perpetual bond	250.00	305.00	-	-	-	-	-	-	250.00	305.00
Trade Receivable	3.31	26.02	-	-	-	-	-	-	3.31	26.02
Advance from Customer	0.01	-	-	-	-	-	-	-	0.01	-
Trade payable	1.54	3.09	5.40	4.03	-	0.28	-	-	6.94	7.40
Loans and advances Given	319.64	10.01	-	-	-	-	-	-	319.64	10.01

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

C) Transactions with related parties are as follows:

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Transaction with Subsidiaries**		
	Aprica Healthcare Private Limited (Refer note 26) #		
	Investment in / (Redemption of) Perpetual bond	-	(70.00)
	Sales of Finished goods	-	65.20
	Royalty Income	-	4.35
	Kinedex Healthcare Private Limited (Refer note 26) #		
	Purchases of Stock-in-trade	-	11.60
	Royalty Expense	-	0.41
	Reimbursement of expense incurred	-	0.78
	Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) (Refer note 26) #		
	Purchases of Stock-in-trade	1.55	35.07
	Sales of Finished goods	63.95	15.36
	Investment in / (Redemption of) Perpetual bond	-	(50.00)
	Loans and Advances Given	-	10.00
	Royalty Income	5.47	1.28
	Reimbursement of expense incurred	-	2.38
	Royalty expense	2.42	4.18
	Interest Income	0.40	0.02
	Eris Healthcare Private Limited (Formerly known as Strides Healthcare private Limited)		
	Royalty expense	1.64	2.25
	Sales of Finished goods	144.81	-
	Sales of Stock-in-trade	-	2.31
	Loans and advances given	316.50	-
	Purchases of Stock-in-trade	45.46	-
	Interest income	15.55	-
	Royalty income	4.26	0.46

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
2	**Key Management Personnel compensation**		
	Remuneration *	93.72	86.70
	Sitting fees	3.00	2.85
	Reimbursement of expense	1.55	-
	Commission	2.69	-
3	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.65	4.24
4	**Other Related parties**		
	Contribution to Post-employment benefit plan	41.88	38.88

Pursuant to the scheme of amalgamation and demerger of subsidiary companies (refer note 26.1), figures of the previous year have been reclassified wherever necessary.

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

(₹. In Million)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	**Kinedex Healthcare Private Limited (Refer note 26)**		
	Trade payable	1.54	-
	Trade Receivable	1.61	-
2	**Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) (Refer note 26)**		
	Loans and advances Given	-	10.01
	Perpetual bond	250.00	305.00
	Trade Receivable	1.00	26.02
	Trade payable	-	0.20
	Advance from Customer	0.01	-
3	**Eris Healthcare Private Limited (Formerly known as Strides Healthcare private Limited)**		
	Loans and advances Given	319.64	-
	Trade receivable	0.70	-
	Trade Payable	-	2.89

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
4	**Key Management Personnel compensation**		
	Trade Payable	5.40	4.03
5	**Close family member of Key Management Personnel compensation**		
	Trade Payable	-	0.28

Note 30: Loans to group Companies

Disclosures pursuant to Regulation 34(3) read with Para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013.

(₹. In Million)

Name of the Subsidiary	Amount outstanding as at		Maximum balance during the year	
	March 31, 2021	March 31, 2020	2020-21	2019-20
Eris Healthcare Private Limited	319.64	-	319.64	-
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	-	10.01	11.89	10.01

Note:

a) The loanees did not hold any shares in the Share capital of the Company.

b) All loans given are for the purposes of the business.

Note 31: Corporate Social Responsibility (CSR) expenditure

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(a) Gross amount required to be spent by the company as per section 135 of the act	59.04	59.28
(b) Gross amount spent by the company during the year*	59.33	59.53

* Expenditure in above table for the previous year include capital advance of ₹22.58 million which has been recognised as expenses in the profit or loss during the current year.

Note 32: Contingent Liability and Capital Commitment

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	164.62	155.72
Notices regarding Income-tax matters	0.80	0.80
Others	17.74	1.55

Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹28.92 million (Previous year Nil).

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 33: Lease rent IND AS 116

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method. The adoption of standard has resulted into creation of right of use lease asset by ₹ 179.80 million and lease liability by ₹ 190.89 million as at April 1, 2019. Also, the following effects have been given.

(₹. In Million)

Changes [increase/(decrease)]	For Year ended March 31, 2021	For Year ended March 31, 2020
Depreciation and Amortisation	33.62	127.39
Finance costs on lease liability	6.52	13.06
Lease rent cost	(63.44)	(96.54)
Profit after tax	15.16	(28.57)
Cash Flow From Operating Activities	63.44	96.54
Cash Flow From Financing Activities	(63.44)	(96.54)

Note 34: ESOP

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 98,107 and 49,886 options have lapsed till March 31, 2021 and March 31, 2020 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2020-21 is ₹11.20 million and for financial year 2019-20 is ₹ 16.61 million.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	**3,21,930**	**451.04**	**3,36,895**	**451.04**
Granted during the year	-	-	-	-
Vested during the year	68,176	451.04	71,169	451.04
Exercised during the year	-	451.04	-	451.04
Lapsed during the year	48,221	451.04	14,965	451.04
Options outstanding at the end of the year	2,73,709	451.04	3,21,930	451.04
Options available for grant	49,886	-	23,281	-
Options exercisable at the end of the year	1,56,977	-	1,17,401	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**April 12, 2017**
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

Note 35: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2021. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

	Particulars	March 31, 2021	March 31, 2020
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due remaining unpaid	44.46	32.39
	Interest amount due remaining unpaid	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act.	-	-

Note 36: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the managing director and the company has only one reportable business segment i.e. 'pharmaceuticals'.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 37: Items included in Financial Activities

(₹. In Million)

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	105.48	(63.44)	5.84	5.54	53.42

(₹. In Million)

	As at March 31,2019	Cash Flows	Net Additions	Other Changes	As at March 31, 2020
Lease Liability	-	(96.54)	178.63	23.39	105.48
Borrowings	1,759.15	(1,750.00)	-	(9.15)	-

Note 38: Regrouping

Previous year figures have been regrouped wherever necessary, so as to make them comparable with those of the current year.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **ERIS LIFESCIENCES LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Carrying values of acquired intangible assets**	**Principal audit procedures performed:**
	Carrying values of acquired intangibles assets Refer note 2(b) to the Consolidated Financial Statements. As at March 31, 2021, the Group had Rs. 6764.31 millions of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Group operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.	Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of Parent company's management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. Our substantive testing procedures included evaluation of appropriateness of management's estimate and judgement whether any indicators of impairment existed. The Component auditors have reported to us that they have also performed above procedures.

	Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	
2.	**Carrying value of Goodwill**	**Principal audit procedures performed:**
	Carrying value of Goodwill Refer to note 2(b) to the consolidated financial statements. As at March 31, 2021, the Group's carrying value of goodwill is Rs. 934.74 millions. In accordance with Ind AS, goodwill needs to be tested for impairment at every reporting period. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit or group of cash generating units (CGU) and determination of recoverable amount of the underlying CGUs. Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations, the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of goodwill has been identified as a Key Audit Matter.	Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's basis for allocation of goodwill to CGUs and determination of recoverable amounts to measure the impairment provision, if any, that needs to be accounted for. As part of our substantive testing procedures, we have examined management's judgement and estimates in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections. We also assessed the disclosures made by the Company.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance, Report in Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls,

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report in Annual Report for the year ended March 31, 2021 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Parent 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matter

We did not audit the financial statements / financial information of four subsidiaries, whose financial statements / financial information reflect total assets of Rs. 1,406.72 millions as at March 31, 2021, total revenues of Rs. 1,306.12 millions and net cash outflows amounting to Rs. 31.91 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama

(Partner)

(Membership No. 107723)

(UDIN:21107723AAAAHT9410)

Mumbai, May 13, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

(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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Eris Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 the respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, 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 and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies.

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 and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, have, 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, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to four subsidiary companies, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama

(Partner)

(Membership No. 107723)

(UDIN:21107723AAAAHT9410)

Mumbai, May 13, 2021

CONSOLIDATED BALANCE SHEET

for the year ended March 31, 2021

(₹. In Million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	749.95	812.51
(b) Right-of-use asset	2(a)	28.83	60.28
(c) Goodwill	2(b)	934.74	934.74
(d) Other Intangible assets	2(b)	6,825.21	6,940.96
(e) Intangible assets under development	2(b)	15.55	43.73
(f) Financial assets			
Investments	3	2,436.45	32.04
Loans	10	49.49	29.73
Other financial asset	5	450.91	53.39
(g) Income tax assets (net)	4(d)	38.34	39.48
(h) Deferred tax assets (net)	4(f)	2,006.32	1,709.11
(i) Other non-current assets	6	141.55	70.91
Total Non current assets		**13,677.34**	**10,726.88**
(2) Current assets			
(a) Inventories	7	944.66	694.75
(b) Financial assets			
Investments	3	503.99	747.81
Trade receivables	8	1,404.88	1,568.84
Cash and cash equivalents	9(a)	369.15	673.07
Other bank balances	9(b)	13.61	0.19
Loans	10	33.36	23.49
Other financial asset	5	478.31	101.97
(c) Other current assets	6	922.50	986.05
Total Current assets		**4,670.46**	**4,796.17**
TOTAL - ASSETS		**18,347.80**	**15,523.05**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.78	135.78
(b) Other Equity	12	15,628.43	12,827.56
Equity attributable to the owners of the company		15,764.21	12,963.34
Non-controlling Interest		0.02	-
Total Equity		**15,764.23**	**12,963.34**

(₹. In Million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
(2) Non Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	14	44.47	61.44
Other financial liabilities	14	36.19	54.38
(b) Long-term provisions	15	313.30	259.77
(c) Other non-current liabilities	16	24.92	31.07
(d) Deferred tax liabilities (net)	4(f)	495.38	506.15
Total Non Current Liabilities		**914.26**	**912.81**
(3) Current Liabilities			
(a) Financial Liabilities			
Trade payables	17		
A) Due to Micro and Small Enterprises		72.75	33.08
B) Due to other than Micro and Small Enterprises		953.41	967.43
Lease Liabilities	14	23.20	59.99
Other financial liabilities	14	98.51	16.20
Short term borrowings	13	0.10	-
(b) Short-term provisions	15	274.87	301.97
(c) Other current liabilities	16	168.96	198.25
(d) Income tax liabilities (net)	4(e)	77.51	69.98
Total Current Liabilities		**1,669.31**	**1,646.90**
Total Liabilities		**2,583.57**	**2,559.71**
TOTAL - EQUITY AND LIABILITIES		**18,347.80**	**15,523.05**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
REVENUE:			
Revenue from operations	18		
Sale of products		11,926.44	10,581.83
Other operating income		192.19	158.76
Total Revenue from Operations		**12,118.63**	**10,740.59**
Other income	19	87.08	153.96
Total Revenue (I)		**12,205.71**	**10,894.55**
EXPENSES:			
(a) Cost of materials consumed	20	994.26	768.81
(b) Purchases of stock-in-trade		1,770.14	732.43
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(381.74)	214.07
(d) Employee benefits expense	22	2,293.04	2,056.93
(e) Other expenses	23	3,137.17	3,284.61
Total (II)		**7,812.87**	**7,056.85**
Profit before interest, tax, depreciation and amortisation (I - II)		**4,392.84**	**3,837.70**
Finance costs	24	18.02	21.62
Depreciation and amortisation expense	2	429.85	502.58
Profit before tax		**3,944.97**	**3,313.50**
Tax expenses :	4		
(a) Current tax		694.02	606.96
(b) Deferred tax		(300.40)	(258.53)
Total tax expense		**393.62**	**348.43**
Profit for the year		**3,551.35**	**2,965.07**
Attributable to :			
- Owners of the company		3,551.35	2,964.97
- Non controlling interest		-	0.10

Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(22.47)	(18.63)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		7.58	6.45
		(14.89)	**(12.18)**
Total Comprehensive Income for the year		**3,536.46**	**2,952.89**
Attributable to :			
- Owners of the company		3,536.46	2,952.79
- Non controlling interest		-	0.10
Earnings per equity share of face value ₹ 1 each	25		
Basic (₹)		26.16	21.61
Diluted (₹)		26.14	21.59

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹. In Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	3,944.97	3,313.50
Adjustments for :		
Depreciation and amortisation expense	429.85	502.58
Net Loss on property plant and equipment sold/written off	0.06	0.87
Finance costs	18.02	21.62
Dividend income	-	(0.03)
Interest income	(22.85)	(16.06)
Net gain on sale of investments	(28.55)	(92.40)
Net (gain) / loss on investments carried at fair value through profit or loss	(21.22)	6.18
Provision for doubtful debts / Other financial assets	65.10	18.78
Deferred capital subsidy	(9.91)	(15.03)
Gain From Termination Of Lease Ind As 116	(0.98)	(0.75)
Share based payment expense	11.20	16.61
Operating profit before working capital changes	**4,385.69**	**3,755.87**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	158.96	(747.86)
Inventories	(249.91)	131.78
Other asset	74.70	(215.34)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	25.66	159.34
Other liabilities	(25.53)	(20.64)
Provisions	3.96	138.96
Other Financial Liabilities	65.43	27.26
Cash generated from operations	**4,438.96**	**3,229.37**
Net income tax paid	(685.35)	(517.71)
Net cash flow from operating activities (A)	**3,753.61**	**2,711.66**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(257.63)	(1,512.82)
Proceeds from sale of property plant and equipment	0.38	54.67
Consideration paid towards investment in subsidiary	-	(213.73)
Investments in mutual funds and bonds	(3,720.50)	(380.88)
Proceeds from redemption of mutual funds and Shares	774.20	3,260.79
Loan to Others repayment received	0.37	16.34
Loan to Others given	(30.00)	(5.00)
Bank balances not considered as cash and cash equivalents-Placed	(13.42)	(0.12)
Dividend income	-	0.03
Interest income	13.02	13.04
Net cash flow from / (used in) investing activities (B)	**(3,233.58)**	**1,232.32**
C. Cash flow from financing activities		
Proceeds of borrowings	0.10	-
Repayment of borrowings	-	(1,755.08)
Buy back expense	-	(16.77)
Buy back of shares	-	(1,000.00)
Finance costs	(17.81)	(18.25)
Dividend and dividend distribution tax paid	(746.79)	(469.79)
Lease payment	(59.45)	(86.02)
Net cash used in financing activities (C)	**(823.95)**	**(3,345.91)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(303.92)**	**598.07**
Cash and cash equivalents at the beginning of the year	**673.07**	**75.00**
Cash and cash equivalents at end of the year {Refer note-9(a)}	**369.15**	**673.07**

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹. In Million)

Cash on hand	0.81	0.69
Balance with banks		
In Current Account	317.60	660.44
Cheque in hand	50.74	11.94
Cash and Cash Equivalents as per Cash flow statement	**369.15**	**673.07**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

A. Equity Share Capital	(₹. In Million)
Particulars (refer note-11)	**Amount**
As at April 1, 2019	**137.52**
Change in Equity Share Capital (Pursuant to buyback of shares) (Refer note 11.6)	(1.74)
As at March 31, 2020	**135.78**
Change in Equity Share Capital	-
As at March 31, 2021	**135.78**

B. Other Equity (₹. In Million)

Particulars (refer note-12)	Retained Earnings	General Reserve	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Capital redemption reserve	Total Other Equity
As at April 1, 2019	**11,335.22**	**7.00**	**13.49**	**11.95**	**-**	**-**	**11,367.66**
Add: Profit for the year	2,964.97	-	-	-	-	-	2,964.97
Add: Other comprehensive Income for the year	(12.18)	-	-	-	-	-	(12.18)
Less: Buy Back expense	(10.91)	-	-	-	-	-	(10.91)
Less: Buy Back of equity shares {Refer note 11.6}	(979.51)	(7.00)	(13.49)	-	-	-	(1,000.00)
Add: Transfer to capital redemption reserve on buy back of equity shares	-	-	-	-	-	1.74	1.74
Add: share based payments to employees of the Parent company	-	-	-	16.59	-	-	16.59
Less: Payment of Dividend {Refer note 11.7}	(389.69)	-	-	-	-	-	(389.69)
Less: Payment of Dividend Distribution Tax	(80.10)	-	-	-	-	-	(80.10)
Less: Transfer to capital reserve on amalgation of subsidiaries	(83.82)				83.82		-
Less: Acquisition of Minority stake {Refer note 27}	(30.52)	-	-	-	-	-	(30.52)
As at March 31, 2020	**12,713.46**	**-**	**-**	**28.54**	**83.82**	**1.74**	**12,827.56**
Add: Profit for the year	3,551.35	-	-	-	-	-	3,551.35
Add: Other comprehensive Income for the year	(14.89)	-	-	-	-	-	(14.89)
Less: Payment of Dividend	(746.79)	-	-	-	-	-	(746.79)
Add: share based payments to employees of the Parent company	-	-	-	11.20	-	-	11.20
As at March 31, 2021	**15,503.13**	**-**	**-**	**39.74**	**83.82**	**1.74**	**15,628.43**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: May 13, 2021

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("Parent Company") and its subsidiaries (together referred to as "the group") is engaged in the manufacture and marketing of pharmaceutical products. The Parent Company has a manufacturing plant located in Guwahati, Assam. The Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1 : Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act.

(B) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

1.2 Basis of consolidation:

The Group consolidates all entities which it controls. Control is established when the Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3 Critical Accounting Judgements And Key Sources of Estimation Uncertainity:

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.4)
- Useful lives of property, plant and equipment (refer note 1.5)
- Useful lives of intangible assets (refer note 1.6)
- Impairment of asset (refer note 1.9)
- Valuation of inventories (refer note 1.10)
- Employee benefits (refer note 1.14)
- Valuation of deferred tax assets (refer note 1.15)
- Provisions & contingent liabilities (refer note 1.16)
- Impact of COVID on Business and Financial statements (refer note 26)

1.4 Revenue recognition:

a. Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.5 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation/amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than 'Freehold Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets were put to use.

1.6 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below:

Type of intangible assets	Useful life
Trademark/Brands	Upto 50 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.7 Business combinations and Goodwill

1.7.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

1.7.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.8 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The Group measures its equity instruments other than investment in subsidiaries at fair value through profit and loss (FVTPL) in accordance with the requirements of Ind AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per Ind AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.10 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST credit availed], labour and relevant appropriate overheads.

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.11 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

1.12 Borrowings:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit or loss attributable to the equity holders of the Parent Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits, bonus shares and buy back, as appropriate.

1.14 Employee Benefits:

(A) Defined contribution plan:

The Group's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Group recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.15 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for:

a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.17 Leases:

During the financial year 2018-19, Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Operating lease payments were recognized as an expense on a straight line basis over the lease term unless the payments are structured to increase in line with the expected general inflation so as to compensate for the lessor's expected inflationary cost increases.

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer note 32)

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Group are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.19 Government Grant:

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.20 Share-based payment transactions:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Group has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the period. The Group measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 2: Property, Plant and Equipment and Intangible Assets
(a) Property, Plant and Equipment :

(₹. In Million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Right of use asset (Refer note 32)	Total
Gross carrying amount:									
As at April 1, 2019	**31.03**	**194.14**	**201.00**	**136.36**	**458.81**	**72.53**	**3.35**	**-**	**1,097.22**
Additions during the Year	-	135.84	159.30	17.90	101.72	86.07	32.77	196.78	730.38
Deductions during the Year	8.05	3.98	-	13.93	215.01	-	-	2.87	243.84
As at March 31, 2020	**22.98**	**326.00**	**360.30**	**140.33**	**345.52**	**158.60**	**36.12**	**193.91**	**1,583.76**
Additions during the Year	-	-	0.62	50.75	82.32	34.28	-	6.67	174.64
Deductions during the Year	-	-	1.32	-	0.12	-	-	-	1.44
As at March 31, 2021	**22.98**	**326.00**	**359.60**	**191.08**	**427.72**	**192.88**	**36.12**	**200.58**	**1,756.96**
Accumulated depreciation:									
As at April 1, 2019	**-**	**53.15**	**97.23**	**56.61**	**311.63**	**23.54**	**1.83**	**-**	**543.99**
Depreciation for the Year	-	18.66	35.72	27.98	92.61	41.97	4.21	135.33	356.48
Deductions during the Year	-	0.71	-	9.25	177.84	-	-	1.70	189.50
As at March 31, 2020	**-**	**71.10**	**132.95**	**75.34**	**226.40**	**65.51**	**6.04**	**133.63**	**710.97**
Depreciation for the Year	-	23.56	47.68	25.11	86.18	39.78	7.78	38.12	268.21
Deductions during the Year	-	-	0.94	-	0.06	-	-	-	1.00
As at March 31, 2021	**-**	**94.66**	**179.69**	**100.45**	**312.52**	**105.29**	**13.82**	**171.75**	**978.18**
Net carrying amount									
As at March 31, 2020	**22.98**	**254.90**	**227.35**	**64.99**	**119.12**	**93.09**	**30.08**	**60.28**	**872.79**
As at March 31, 2021	**22.98**	**231.34**	**179.91**	**90.63**	**115.20**	**87.59**	**22.30**	**28.83**	**778.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(b) Intangible Assets:

(₹. In Million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at April 1, 2019	**935.87**	**6,280.20**	**50.00**	**19.35**	**6,349.55**
Additions during the Year	-	960.20	-	10.61	970.81
Deductions during the Year	1.13	-	-	-	-
As at March 31, 2020	**934.74**	**7,240.40**	**50.00**	**29.96**	**7,320.36**
Additions during the Year	-	0.01	-	45.88	45.89
Deductions during the year	-	-	-	-	-
As at March 31, 2021	**934.74**	**7,240.41**	**50.00**	**75.84**	**7,366.25**
Accumulated Amortisation:					
As at April 1, 2019	**-**	**199.23**	**26.44**	**7.62**	**233.29**
Amortisation for the year	-	132.06	10.02	4.03	146.11
Deductions during the year	-	-	-	-	-
As at March 31, 2020	**-**	**331.29**	**36.46**	**11.65**	**379.40**
Amortisation for the year	-	144.81	10.00	6.83	161.64
Deductions during the year	-	-	-	-	-
As at March 31, 2021	**-**	**476.10**	**46.46**	**18.48**	**541.04**
Net carrying amount					
As at March 31, 2020	**934.74**	**6,909.11**	**13.54**	**18.31**	**6,940.96**
As at March 31, 2021	**934.74**	**6,764.31**	**3.54**	**57.36**	**6,825.21**
Intangible assets under development					
As at March 31, 2020	**-**	**-**	**-**	**43.73**	**43.73**
As at March 31, 2021	**-**	**-**	**-**	**15.55**	**15.55**

Note:

1. The Group tests goodwill on an annual basis or based on an indicator. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

The key assumptions for CGUs with significant amount of goodwill as follows:

a) Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

b) Discount rate applied to projected cash flow is 12%.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹934.74 millions (Previous year ₹934.74 million) generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 3: Investments

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Non current investments				
(I) At amortised cost				
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of Rs. 10,000 each	500	5.00	-	-
(II) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted)(Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	401.71	-	-
ABSL Banking PSU Fund Growth Direct	1,72,981	50.12	-	-
HDFC Ultra Short Fund Direct Growth	3,35,59,812	400.68	-	-
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	381.92	-	-
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	355.74	-	-
ABSL Low Duration Fund Growth Direct	6,44,241	355.67	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	453.42	-	-
Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.21	1,000	1.11
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.19	1,000	1.19
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.17	1,000	1.12
Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
Total (I)+(II)		**2,436.45**		**32.04**
Aggregate carrying value of quoted investments		3.57		3.42
Aggregate market value of quoted investments		3.57		3.42
Aggregate carrying value of unquoted investments		2,432.88		28.62

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Current investments				
(I) At amortised cost				
Investment in NSC (unquoted)	-	0.02	-	0.02
(II) At Fair Value through Profit or Loss				
Investment in Mutual funds (unquoted) (Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	72,092	232.25	-	-
Franklin India Credit Risk Fund Direct Growth	-	-	1,75,37,091	347.31
SBI Overnight Fund Direct Growth	-	-	1,00,963	328.51
HDFC Liquid Fund Direct Plan Growth Option	67,165	271.72	-	-
Axis Liquid Fund Direct Growth	-	-	2,296	5.05
Kotak Mutual Fund Bond (Short Term) Direct Growth	-	-	16,68,356	66.92
Total (I)+(II)		**503.99**		**747.81**

3.1 Details of pledged securities:

Include ₹350.00 million (31-03-2020 - ₹414.23 million) marked under lien against overdraft facilities availed by the Parent company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4: Income Taxes

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	694.02	606.96
Deferred tax:		
Deferred tax (benefit) / expense for current year	(300.40)	(258.53)
	393.62	**348.43**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains / (losses) on defined benefit plans	(7.58)	(6.45)
	(7.58)	**(6.45)**
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	3,944.97	3,313.50
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,373.05	1,157.87
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	80.23	57.97
Effect of income exempt from taxation	(0.93)	(1.10)
Tax incentives	(1,056.82)	(823.41)
Adjustment of current tax of prior period	2.59	3.04
Others (net)	(12.08)	(52.39)
Adjusted income tax expense	386.04	341.98
Group's weighted average tax rate	9.79%	10.32%

(d) Income Tax Assets:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	39.48	77.99
Less: Income tax refund	(0.09)	(3.73)
Less: Prior period adjustment	(1.32)	(2.69)
Add: Tax paid in advance, net of provisions / (Refund) during the year	0.27	(32.09)
Closing Balance	**38.34**	**39.48**
Classified as:		
Non Current	38.34	39.48
Current	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(e) Income Tax Liabilities:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	69.99	18.11
Add: Prior period adjustment	2.08	0.35
Add: Current tax payable for the year	690.62	606.33
Less: Taxes paid	(685.18)	(554.81)
Closing Balance	**77.51**	**69.98**

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(f) Deferred tax relates to:		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	135.57	143.16
Minimum Alternate Tax credit entitlement	2,779.46	2,208.74
Carry forward tax losses and accumulated depreciation	40.97	65.12
Employee benefits	55.90	67.81
Other	19.72	2.99
	3,031.62	**2,487.82**
Deferred tax liabilities		
Intangible Assets	1,516.15	1,279.26
Fair Valuation of Investment	4.53	5.60
	1,520.68	**1,284.86**
Total	**1,510.94**	**1,202.96**

The deferred tax liabilities / assets are off-set, where the Group has a legally enforceable right to set-off assets against liabilities, and are presented in balance sheet as follows:

(₹. In Million)

Deferred tax assets	2,006.32	1,709.11
Deferred tax liabilities	495.38	506.15
Net Deferred Tax	**1,510.94**	**1,202.96**

The Group is virtually certain that future taxable income will be available against which deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	Property, plant and equipment	Minimum Alternate Tax credit entitlement	Carry Forward Losses and accumulated depreciation	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :								
At April 1, 2019	**95.53**	**1,832.04**	**58.44**	**45.67**	**(1,028.05)**	**(81.69)**	**9.05**	**930.99**
Charged/(Credited)								
- To Profit or Loss	(46.50)	(370.84)	(6.68)	(15.69)	251.21	(76.09)	6.06	(258.53)
- To Goodwill	(1.13)	-	-	-	-	-	-	(1.13)
- To Other equity	-	(5.86)	-	-	-	-	-	(5.86)
- To other comprehensive Income	-	-	-	(6.45)	-	-	-	(6.45)
At March 31, 2020	**143.16**	**2,208.74**	**65.12**	**67.81**	**(1,279.26)**	**(5.60)**	**2.99**	**1,202.96**
Charged/(Credited)								
- To Profit or Loss	7.59	(570.72)	24.15	19.49	236.89	(1.07)	(16.73)	(300.40)
- To other comprehensive Income	-	-	-	(7.58)	-	-	-	(7.58)
At March 31, 2021	**135.57**	**2,779.46**	**40.97**	**55.90**	**(1,516.15)**	**(4.53)**	**19.72**	**1,510.94**

Note 5: Other Financial Assets

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current (Considered Good)		
Security deposits	28.21	24.55
Receivable on sale of Investment in subsidiary	-	4.98
Fixed Deposits	422.70	-
Other receivables	-	23.86
	450.91	**53.39**
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	2.09	1.04
FIxed Deposits	420.29	-
Interest accrued	0.08	0.10
Security deposits	36.36	29.47
Receivable on sale of Investment in subsidiary		
- Considered Good	-	6.00
- Considered doubtful	12.00	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Less: Allowance for doubtful of recovery	(12.00)	-
Claims and Other receivables	-	
- Considered Good	19.49	65.36
- Considered doubtful	48.10	-
Less: Allowance for doubtful of recovery	(48.10)	-
	478.31	**101.97**
Total	**929.22**	**155.36**

Note 6: Other Assets

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
Capital Advances	141.55	48.32
Other Advances	-	22.59
	141.55	**70.91**
Current		
Prepaid expenses	79.90	74.79
Balances with government authorities		
GST / Cenvat credit receivable	265.40	404.25
Others	2.14	1.83
Advance to supplier	568.27	497.81
Advances to employees	6.79	7.37
	922.50	**986.05**
Total	**1,064.05**	**1,056.96**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 7: Inventories

(At lower of cost and net realisable value)

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Material and Packing Material {including goods-in-transit ₹2.03 Million (31-03-2020 - ₹19.13 Million)}	168.64	300.47
Work-in-progress	26.42	32.77
Finished goods	252.16	195.85
Stock-in-trade {including goods-in-transit ₹9.59 Million (31-03-2020 - ₹5.05 Million)}	494.57	162.79
Stores, spares & consumables	2.87	2.87
Total	**944.66**	**694.75**

Note 8: Trade receivables

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Considered good	-	-
Unsecured Considered good	1,404.88	1,568.84
Considered doubtful	25.18	20.18
Trade Receivables-credit impaired	-	-
	1,430.06	**1,589.02**
Less: Allowance for doubtful debt (expected credit loss)	25.18	20.18
Total	**1,404.88**	**1,568.84**

Movements in allowance for doubtful trade receivables

Opening Balance	20.18	2.20
Add : Provision during the year	5.00	18.75
Less : Utilisation during the year	-	(0.77)
Closing Balance	25.18	20.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9: Cash and cash equivalents

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash and cash equivalents		
Cash on hand	0.81	0.69
Balances with banks in current accounts*	317.60	660.44
Cheque in hand	50.74	11.94
	369.15	**673.07**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and tender deposit	13.61	0.19
Total	**382.76**	**673.26**

*Includes Unclaimed Dividend of ₹ 0.45 million (Previous year ₹ 0.96 million).

Note 10: Loans

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
Loans Receivables considered good - Unsecured	49.49	29.73
	49.49	**29.73**
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	33.36	23.49
Loans Receivables which have significant increase in Credit Risk	5.19	5.82
Loans Receivables - credit impaired	-	-
	38.55	**29.31**
Less: Allowance for doubtful loan	(5.19)	(5.82)
	33.36	**23.49**
Total	**82.85**	**53.22**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 11: Share capital

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,57,80,653 (Previous year 13,57,80,653) Equity Shares of ₹1 each, fully paid up	135.78	135.78
Total	**135.78**	**135.78**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	(₹. In Million)
Shares outstanding at March 31, 2019	13,75,19,783	137.52
Less : Buy back of shares	(17,39,130)	(1.74)
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78

11.2 Aggregate number and class of shares allotted as fully paid up bonus shares during the period of 5 years immediately preceding the balance sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares					
Bonus shares issued during the year	-	-	-	-	13,61,25,000

11.3 Details of shareholders holding more than 5 % equity shares in the Parent company as at the end of the year

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,46,98,423	40.28	5,46,98,423	40.28
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.55	1,56,84,407	11.55
3. Bhikhalal Chimanlal Shah	88,92,430	6.55	88,92,430	6.55
4. Emerald Investments Limited	74,77,132	5.51	74,75,780	5.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

11.4 Terms / Rights attached to the equity shares:

The Parent Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

11.5 Share options granted under the Parent Company's employee share option plan:

The Parent Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Buyback of equity shares:

As on January 22, 2020, the Parent Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹ 575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7 Dividend:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 5.50/- (at the rate of 550 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2020-21 at its meeting held on August 4, 2020.

Note 12: Other Equity

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings	15,503.13	12,713.46
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Share based payment reserve	39.74	28.54
Capital redemption reserve	1.74	1.74
Total	**15,628.43**	**12,827.56**

Nature and purpose of reserves:

Retained Earnings:
Retained Earnings are the profits that the group has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve:
The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve:
The Parent Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Capital reserve on Amalgamation of subsidiaries:
Capital reserve on amalgamation of subsidiaries is created pursuant to a scheme of amalgamation and shall not be considered to be a reserve created by company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 13: Borrowings

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured loan from Others	0.10	-
Total	**0.10**	**-**

Note 14: Other financial liabilities

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
Trade deposits	36.19	54.38
Lease liability	44.47	61.44
	80.66	**115.82**
Current		
Trade deposits	0.80	1.30
Book overdraft*	93.04	8.41
Dividend Payable	0.45	0.96
Payable towards purchase of fixed assets	4.22	5.53
Lease liability	23.20	59.99
	121.71	**76.19**
Total	**202.37**	**192.01**

* Mutual funds are marked as lien against OD Limit (Refer note 3).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 15: Provisions

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	63.66	52.94
Gratuity	7.66	4.27
Provision for sales returns (Refer note below)	241.98	202.56
	313.30	**259.77**
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	36.02	29.04
Gratuity	15.99	80.74
Provision for sales returns (Refer note below)	222.86	192.19
	274.87	**301.97**
Total	**588.17**	**561.74**

Provision for sales returns:

The Group, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms.

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Provision	394.75	282.01
Add : Provision during the year	251.96	210.00
Less : Utilisation during the year	181.87	97.26
Closing Provision	464.84	394.75
Long Term	241.98	202.56
Short Term	222.86	192.19
Total	**464.84**	**394.75**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 16: Other liabilities

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Deferred Capital Subsidy Non current*	24.92	31.07
	24.92	**31.07**
Current		
Statutory liabilities	132.46	162.08
Advances from customers	28.93	24.84
Deferred Capital Subsidy Current*	7.57	11.33
	168.96	**198.25**
Total	**193.88**	**229.32**

*Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under the North East Industrial & Investment Promotion Policy (NEIIPP)

Note 17: Trade payables

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Due to micro and small enterprises (refer note-34)	72.75	33.08
Due to others	953.41	967.43
Total	**1,026.16**	**1,000.51**

Note 18: Revenue from operations

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Sale of products	11,926.44	10,581.83
Other operating income		
Goods And Services Tax refund	189.76	153.96
Others	2.43	4.80
	192.19	**158.76**
Total	**12,118.63**	**10,740.59**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Revenue as per contracted price, net of returns	12,178.40	10,791.83
Less : Provision for sales return	251.96	210.00
Revenue from contracts with customers	11,926.44	10,581.83

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest income	22.85	16.06
Dividend income	-	0.03
Net gain on sale of investments	28.55	92.40
Net gain on investments carried at fair value through profit or loss	21.22	(6.18)
Deferred Capital Subsidy (Refer note 19.1)	9.91	15.03
Miscellaneous income (Refer note 19.2)	4.55	36.62
Total	**87.08**	**153.96**

Note 19.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP).

Note 20: Cost of material consumed

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Raw materials and packing materials		
Opening stock	300.47	217.48
Add: Purchases during the year	862.43	851.80
Less: Closing stock	(168.64)	(300.47)
Total	**994.26**	**768.81**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Inventories at the beginning of the year		
Stock-in-trade	162.79	406.25
Finished goods	195.85	179.52
Work-in-progress	32.77	19.71
	391.41	**605.48**
Inventories at the end of the year		
Stock-in-trade	494.57	162.79
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	773.15	**391.41**
Net (Increase) / decrease in stocks	**(381.74)**	**214.07**

Note 22: Employee benefits expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries, wages and bonus	2,028.30	1,860.26
Contribution to provident and other funds	139.10	108.87
Share based payments to employees	11.20	16.61
Staff welfare expenses	114.44	71.19
Total	**2,293.04**	**2,056.93**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 23: Other expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Power and fuel	39.53	46.16
Consumption of stores and spares (Indigenous)	36.03	72.05
Labour and security	22.73	19.14
Testing charges	5.41	6.43
Rent (Refer note 32)	21.08	77.53
Formulation Development Expense	50.92	41.96
Freight and forwarding	198.38	155.35
Commission	206.16	172.56
Advertising, publicity and awareness	125.05	182.38
Repairs and maintenance	36.67	37.35
Selling and distribution	757.38	899.63
Representative Allowance & Incentives	436.91	410.45
Travelling and conveyance	234.57	414.92
Communication	10.87	10.18
Legal and professional	402.86	330.18
Rates and taxes	57.38	65.34
Insurance	11.46	8.31
Payments to auditors (Refer note below)	5.16	4.24
Loss on property plant and equipment sold/written off	0.18	37.36
Corporate social responsibility expenditure	83.50	54.83
Donations	0.38	0.25
Bank charges	1.73	1.35
Provision for doubtful debt / other financial assets	65.10	18.78
Miscellaneous	327.73	217.89
Total	**3,137.17**	**3,284.61**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Statutory Audit fee	3.57	2.91
Reimbursement of expenses	0.09	0.02
Certification fees and other services	1.50	1.31
Grand Total	**5.16**	**4.24**
Certification fees and other services charged, debited to other than profit and loss account	-	0.75
Grand Total	**5.16**	**4.99**

Note 24: Finance cost

(₹. In Million)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expense	10.35	1.74
Interest on financial liabilities at amortised cost	1.15	4.58
Interest on Lease liability	6.52	14.66
Interest on Payment of Taxes	-	0.64
Total	**18.02**	**21.62**

Note 25: Earnings per share

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net profit after tax for the year (₹ in million)	3,551.35	2,964.97
Weighted average number of equity shares outstanding for basic earning per share	13,57,80,653	13,71,87,163
Add: Dilutive share-Employees stock options outstanding	1,02,609	1,15,728
Weighted average number of equity shares outstanding for diluted earning per share	13,58,83,262	13,73,02,891
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	26.16	21.61
Diluted earnings per share (in ₹)	26.14	21.59

Note 26: Impact of COVID on Business and Financial statements

The Group continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Group's financial statements for the year ended March 31, 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 27: Acquisition of Investment in a Subsidiary

Note 27.1: Amalgamation and Demerger of subsidiary companies

During the Financial Year 2020-21, pursuant to the composite scheme of arrangement under section 230 to 232 of the Companies Act, 2013, Pain division of Kinedex Healthcare Private Limited is demerged and subsequently merged into Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) with effect from Appointed date April 1, 2019 and Eris Therapeutics Private Limited and Aprica Healthcare Limited are merged into Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited) with effect from Appointed date January 1, 2020.

Note 27.2: Acquisition of investment in subsidiary

During the Financial Year 2019-20, The Parent Company has acquired remaining 17.81% shareholding on April 06, 2019 for a consideration of ₹ 213.73 million in Kinedex Healthcare Private Limited making it a wholly owned subsidiary.

Note 28: Employee Benefit Plans

A) **Defined contribution plans:**

The Group makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Group recognized ₹ 82.62 million (Previous Year ₹ 63.05 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of the scheme.

The Group made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Group recognized ₹ 5.62 million (Previous year ₹ 9.16 million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme.

B) **Defined benefit plans:**

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Group rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 24.79 million (Previous Year ₹ 26.37 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The Parent Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Group's financial statements as at March 31, 2021:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Obligations at beginning of the year	**132.59**	**105.85**
Current Service Cost	21.95	18.31
Transfer in/(out) obligation	1.61	-
Past Service Cost	-	(4.03)
Interest Cost	6.17	6.07
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	0.98	4.39
- Due to change in Demographic Assumptions	-	3.14
- Due to experience adjustments	21.49	9.32
Benefits paid	(13.20)	(10.46)
Obligations at the end of the year	**171.59**	**132.59**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(b) Reconciliation of opening and closing balances of the fair value of plan assets:		
Fair value of plan assets at the beginning of the year	**47.58**	**54.74**
Interest Income	2.03	3.60
Expected returns on plan assets	(0.01)	(1.80)
Employer Contributions	109.90	1.50
Benefits paid	(11.58)	(10.46)
Fair Value of plan assets at the end of the year	**147.92**	**47.58**

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**171.59**	**132.59**
Less : Fair value of plan assets	(147.92)	(47.58)
Funded status (deficit)	23.67	85.01
Net liability recognised in the financial statement	**23.67**	**85.01**
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	21.95	14.28
Interest Cost	4.14	2.47
Expense charged to the statement of profit and loss	**26.09**	**16.75**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	0.01	1.80
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	0.98	4.39
- Due to change in Demographic Assumptions	-	3.14
- Due to experience adjustments	21.49	9.32
Expense charged to other comprehensive income	**22.48**	**18.65**

Assumptions:		
Discount rate	5.20% to 6.05%	5.45% to 6.25%
Estimated rate of return on plan assets	5.20% to 6.05%	5.45% to 6.25%
Annual increase in salary costs	5% to 6%	5% to 6%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
Retirement age	60 years	58 years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	173.17	134.50
Decrease of 0.5% in discount rate	177.45	137.93
Increase of 0.5% in salary escalation rate	175.48	137.29
Decrease of 0.5% in salary escalation rate	171.60	137.11

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected future Cash outflows towards the plan are as follows :		
Year 1	64.22	40.04
Year 2	35.45	29.49
Year 3	27.13	21.40
Year 4	19.98	16.32
Year 5	14.39	11.57
Year 6 to 10	28.12	22.56

Investment details of plan assets:

Particulars	March 31, 2021 %	March 31, 2020 %
Insurer managed funds with Life Insurance Corporation of India	94%	82%
Bank Balance with Eris lifesciences limited employees group gratuity trust	6%	18%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by Group for gratuity during financial year ending March 31, 2022 is ₹ 13.49 million (previous year ₹ 80.10 million).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 29: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

(₹. In Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets:				
Amortised cost:				
Trade receivables	1,404.88	1,404.88	1,568.84	1,568.84
Cash and cash equivalents	369.15	369.15	673.07	673.07
Other bank balances	13.61	13.61	0.19	0.19
Investment in tax free bonds	5.00	5.00	-	-
Loans	82.85	82.85	53.22	53.22
Other Financial Asset	929.22	929.22	155.36	155.36
Fair value through profit or loss:				
Investment in mutual funds	2,903.25	2,903.25	747.81	747.81
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Investment in tax free bonds	3.57	3.57	3.42	3.42
Total	**5,740.15**	**5,740.15**	**3,230.53**	**3,230.53**
Financial Liabilities:				
Amortised cost:				
Borrowings	0.10	0.10	-	-
Trade payables	1,026.16	1,026.16	1,000.51	1,000.51
Lease Liabilities	67.67	67.67	121.43	121.43
Other financial liabilities	134.70	134.70	70.58	70.58
Total	**1,228.63**	**1,228.63**	**1,192.52**	**1,192.52**

(ii) Fair value hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(₹. In Million)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	2,903.25	-	-	2,903.25
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	**2,906.82**	**-**	**28.62**	**2,935.44**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**2,906.82**	**-**	**28.62**	**2,935.44**

(₹. In Million)

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	747.81	-	-	747.81
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.42	-	-	3.42
Total	**751.23**	-	**28.62**	**779.85**
Financial Liabilities :	**-**	-	**-**	**-**
Net Assets/(Liabilities)	**751.23**	-	**28.62**	**779.85**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis.

Investment in mutual funds:

The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments:

Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management:

The Group activities are exposed to variety of financial risks. These risks include market risk, credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. Group is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Group invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 2,906.82 million and ₹ 751.23 million as at March 31, 2021 and March 31, 2020 respectively.

(b) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 5,740.15 million and ₹ 3,230.53 million as at March 31, 2021 and March 31, 2020 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the Group will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the group could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Group generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below :

(₹. In Million)

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.10	-	-
Trade payables	1,026.16	-	-
Lease Liabilities	26.77	30.11	20.25
Other financial liabilities	98.51	-	36.19
	1,151.54	**30.11**	**56.44**

(₹. In Million)

As at March 31, 2020	Less than 1 year	1-3 years	More than 3 years
Borrowings	-	-	-
Trade payables	1,000.51	-	-
Lease Liabilities	67.50	39.34	33.09
Other financial liabilities	16.20	-	54.38
	1,084.21	**39.34**	**87.47**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group objective for capital management is to maintain the capital structure which will support the Group strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group.

Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the entity
1	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director (From August 04, 2020)	Mr. Kaushal Shah
	Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
	Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
	Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
	Independent Director	Mrs. Vijaya Sampath
	Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
	Independent Director	Mr. Prashant Gupta
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar
2	**Close family member of Key Management Personnel**	
	Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
3	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

B) Total Transactions with related parties are as follows:

(₹. In Million)

Particulars	Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Remuneration	93.72	86.70	-	-	-	-	93.72	86.70
Sitting fees	3.00	2.85	-	-	-	-	3.00	2.85
Reimbursement of expense incurred	1.55	-					1.55	-
Commission	2.69						2.69	-
Salary expense	-	-	0.65	4.24	-	-	0.65	4.24
Contribution to Post-employment benefit plan	-	-	-	-	41.88	38.88	41.88	38.88

(B) Balances at the end of the year	**As at March 31,2021**	**As at March 31,2020**	**As at March 31,2021**	**As at March 31,2020**	**As at March 31,2021**	**As at March 31,2020**	**As at March 31,2021**	**As at March 31,2020**
Trade Payable	5.40	4.03	-	0.28	-	-	5.40	4.31

C) Transactions with related parties are as follows:

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Key Management Personnel compensation**		
	Remuneration*	93.72	86.70
	Sitting fees	3.00	2.85
	Reimbursement of expense	1.55	-
	Commission	2.69	-
2	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.65	4.24
3	**Other Related parties**		
	Contribution to Post-employment benefit plan	41.88	38.88

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

D) Balances with related parties at end of the year:

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Key Management Personnel compensation**		
	Trade payable	5.40	4.03
2	**Close family member of Key Management Personnel compensation**		
	Trade payable	-	0.28

Note 31: Contingent Liability and Capital Commitment:

(₹. In Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	164.62	155.72
Notices regarding Income-tax matters and from sales tax department	13.68	13.68
Others	17.74	1.55

Note: The Parent Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier year. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹28.92 million (Previous year Nil).

Note 32: Leases Rent Ind AS 116:

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method. Accordingly, comparatives for previous period / year have not been retrospectively adjusted. The adoption of standard has resulted into creation of right of use lease asset by ₹ 196.78 million and lease liability by ₹ 209.37 million as at April 1, 2019. Also, the following effects have been given.

(₹. In Million)

Changes [Increase/(decrease)]	For Year ended March 31, 2021	For Year ended March 31, 2020
Depreciation and Amortisation	38.12	135.33
Finance costs on lease liability	7.93	14.66
Lease rent cost	(67.37)	(100.67)
Profit after tax	13.68	(32.40)
Cash Flow From Operating Activities	67.37	100.67
Cash Flow From Financing Activities	(67.37)	(100.67)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 33: ESOP

The Parent Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 98,107 and 49,886 options have lapsed till March 31, 2021 and March 31, 2020 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method is ₹ 11.20 million (Previous year ₹ 16.61 million).

Employee stock options details as on the balance sheet date are as follows:

(₹. In Million)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	**3,21,930**	**451.04**	**3,36,895**	**451.04**
Granted during the year	-	-	-	-
Vested during the year	68,176	451.04	71,169	451.04
Exercised during the year	-	451.04	-	451.04
Lapsed during the year	48,221	451.04	14,965	451.04
Options outstanding at the end of the year	2,73,709	451.04	3,21,930	451.04
Options available for grant	49,886	-	23,281	-
Options exercisable at the end of the year	1,56,977	-	1,17,401	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**April 12, 2017**
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.00
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 34: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2021. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

(₹. In Million)

	Particulars	March 31, 2021	March 31, 2020
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due remaining unpaid	72.75	33.08
	Interest amount due remaining unpaid	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Note 35: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group chief operating decision maker is the managing director and the group has only one reportable business segment i.e. 'pharmaceuticals'.

Note 36: Regrouping

Previous year figures have been regrouped wherever necessary, so as to make them comparable with those of the current year.

Note 37: Additional information as required by Paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Details of entities consolidated

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2021	Proportion of Ownership Interest as on March 31, 2020
Kinedex Healthcare Private Limited	Subsidiary	India	100.00%	100.00%
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	Subsidiary	India	100.00%	100.00%
Eris Pharmaceuticals Private Limited*	Subsidiary	India	76.00%	0.00%
Eris Healthcare Private Limited (Formerly known as Strides Healthcare Private Limited)	Subsidiary	India	100.00%	100.00%

*Became subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at 31-03-2021)		"Share in Profit or (Loss) 2020-21"		Share in Other Comprehensive Income (OCI) 2020-21		Share in Total Comprehensive Income (TCI) 2020-21	
	As % of consolidated net Assets	₹. In Million	As % of consolidated profit or loss	₹. In Million	As % of consolidated OCI	₹. In Million	As % of consolidated TCI	₹. In Million
Parent								
Eris Lifesciences Limited	99.9%	15,754.67	98.7%	3,506.05	86.0%	(12.80)	98.8%	3,493.25
Subsidiaries								
Kinedex Healthcare Private Limited	0.1%	15.26	0.1%	3.34	0.0%	-	0.1%	3.34
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.3%	205.30	2.3%	82.17	14.1%	(2.10)	2.3%	80.07
Eris Pharmaceuticals Private Limited	0.0%	0.05	0.0%	(0.05)	0.0%	-	0.0%	(0.05)
Eris Healthcare Private Limited (Formerly known as Strides Healthcare Private Limited)	3.4%	542.59	-0.7%	(24.27)	-0.1%	0.01	-0.7%	(24.26)
Non controlling Interest in subsidiaries	0.0%	0.02	0.0%	-	0.0%	-	0.0%	-
Intercompany Elimination and Consolidation Adjustments	-4.8%	(753.69)	-0.4%	(15.89)	0.0%	-	-0.4%	(15.89)
Total	**100.0%**	**15,764.21**	**100.0%**	**3,551.35**	**100.0%**	**(14.89)**	**100.0%**	**3,536.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at 31-03-2020)		Share in Profit or (Loss) 2019-20		Share in Other Comprehensive Income (OCI) 2019-20		Share in Total Comprehensive Income (TCI) 2019-20	
	As % of consolidated net Assets	₹. In Million	As % of consolidated profit or loss	₹. In Million	As % of consolidated OCI	₹. In Million	As % of consolidated TCI	₹. In Million
Parent								
Eris Lifesciences Limited	100.3%	12,997.01	98.2%	2912.74	96.1%	(11.71)	98.2%	2,901.03
Subsidiaries								
Eris Therapeutics Private Limited	0.0%	-	0.0%	(0.01)	0.0%	-	0.0%	(0.01)
Aprica Healthcare Private Limited	0.0%	-	2.1%	60.88	2.4%	(0.29)	2.1%	60.59
Kinedex Healthcare Private Limited	0.1%	11.92	0.1%	4.37	0.0%	-	0.1%	4.37
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.4%	180.23	0.8%	22.40	1.5%	(0.18)	0.8%	22.22
Eris Healthcare Private Limited (Formerly known as Strides Healthcare Private Limited)	4.1%	536.85	-0.3%	(7.84)	0.0%	-	-0.3%	(7.84)
Non controlling Interest in subsidiaries	0.0%	-	0.0%	0.10	0.0%	-	0.0%	0.10
Intercompany Elimination and Consolidation Adjustments	-5.9%	(762.67)	-0.9%	(27.57)	0.0%	-	-0.9%	(27.57)
Total	**100.0%**	**12,963.34**	**100.0%**	**2,965.07**	**100.0%**	**(12.18)**	**100.0%**	**2,952.89**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 38: Items included in Financial Activities

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	121.43	(67.37)	6.67	6.94	67.67

	As at March 31,2019	Cash Flows	Net Additions	Other Changes	As at March 31, 2020
Lease Liability	-	(100.67)	195.61	26.49	121.43
Borrowings	1,764.23	(1,755.08)	-	(9.15)	-

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 13, 2021

Milind Talegaonkar
Company Secretary
Membership No-A26493

Eris

ERIS LIFESCIENCES LIMITED

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Tel: +91 79 3045 1000 Fax: +91 79 3017 9404
CIN: L24232GJ2007PLC049867

NOTICE

NOTICE IS HEREBY given that the fifteenth Annual General Meeting (AGM) of the Members of Eris Lifesciences Limited will be held on Wednesday, September 01, 2021, at 11:00 A.M., through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements including Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 and the reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Kaushal Shah, (DIN: 01229038) who retires by rotation and, being eligible, offers himself for re-appointment.

3. To re-appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Statutory Auditor of the Company for four years, i.e, FY 2021-22 to FY 2024-25 and in this regard, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W100018) be and is hereby re-appointed as the Statutory Auditors of the Company for four years to hold office from the conclusion of the Fifteenth Annual General Meeting till the conclusion of the Nineteenth Annual General Meeting of the Company, at such remuneration as may be decided by the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors for the Financial Year ending March 31, 2022 and in this regard, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT subject to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof), the Company hereby ratifies the remuneration to be paid as set out in the Explanatory Statement annexed to the Notice convening the fifteenth annual general meeting to M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad, appointed as the Cost Auditors by the Board of Directors to conduct the audit of cost records maintained by the Company for the Financial Year 2021-22.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

5. To appoint Mr. Rajeev Dalal as an Independent Director of the Company and in this regard, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. Rajeev Dalal (DIN 00222650), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director and in respect of whom the Company has received recommendation from the Nomination and Remuneration Committee proposing his candidature for office of Director, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years up to December 18, 2025.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

6. To appoint Ms. Kalpana Unadkat as an Independent Director of the Company and in this regard, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Ms. Kalpana Unadkat (DIN 02490816), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director and in respect of

whom the Company has received recommendation from the Nomination and Remuneration Committee proposing her candidature for office of Director, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years up to January 04, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

7. To re-appoint Mrs. Vijaya Sampath as an Independent Director of the Company and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Vijaya Sampath (DIN: 00641110) who was appointed as an Independent Director of the Company at the extra ordinary general meeting held on February 03, 2017 and holds office as an independent director up to February 02, 2022 and who is eligible for re-appointment and who meets the criteria for Independence as provided under section 149 (6) of the Act along with rules framed thereunder and Regulation 16 (1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee proposing her candidature for office of Director be and is hereby re-appointed as an independent director, not liable to retire by rotation, for a second term of five years with effect from February 03, 2022 up to February 02, 2027.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

8. To re-appoint Mr. Amit Bakshi as the Managing Director of the Company and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amended Listing Regulations") along with the provisions of the Section 2(51), 203, 196, 197 and other relevant provisions of the Companies Act, 2013 read with schedule V of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Amit Bakshi (DIN: 01250925) as the Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years commencing from 1st April, 2021 on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

9. To appoint Mr. Krishnakumar Vaidyanathan as a Director of the Company and in this regard, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. Krishnakumar Vaidyanathan (DIN: 08976508), who was appointed as an additional director, pursuant to Sections 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as Director and in respect of whom the Company has received recommendation from the Nomination and Remuneration Committee proposing his candidature for office of Director, be and is hereby appointed as a director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

10. To appoint Mr. Krishnakumar Vaidyanathan as the Whole-Time Director of the Company and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution:**

    "RESOLVED THAT pursuant to provisions of the Section 2(51), 203, 196, 197 and other relevant provisions of the Companies Act, 2013 read with schedule V of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Mr. Krishnakumar Vaidyanathan (DIN: 08976508) as the Whole-time Director (designated as Executive Director) of the Company, liable to retire by rotation, for a period of 5 (five) years commencing from the date of this Annual General Meeting on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice.

    RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

11. To re-appoint Mr. Inderjeet Singh Negi as the Whole-Time Director of the Company and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution:**

    "RESOLVED THAT pursuant to Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amended Listing Regulations") along with the provisions of the Section 2(51), 203, 196, 197 and other relevant provisions of the Companies Act, 2013 read with schedule V of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Inderjeet Singh Negi (DIN: 01255388) as the Whole-time Director

(designated as Executive Director) of the Company liable to retire by rotation, for a period of 5 (five) years commencing from 1st April, 2021 on the terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

12. To consider and approve Eris Lifesciences Employees Stock Option Plan, 2021 (ESOP-2021) and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Companies (Share Capital and Debentures) Rules, 2014 ("the Rules") made thereunder (including any amendment, modification, variation or re-enactment thereof), the Memorandum and Articles of Association of the Company and pursuant to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and subject to such other rules, regulations and guidelines as may be applicable from time to time and subject to the approval(s), consent(s), permission(s) and / or sanction(s) as may be required from appropriate regulatory authorities / institutions or bodies and subject to such terms and conditions as may be prescribed / imposed by such authorities while granting such approvals, consents, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board"), which term shall be deemed to include any authorised Committee which the Board has constituted or would constitute to exercise its powers, including the powers conferred by this resolution, consent of the members of the Company be and is hereby accorded to introduce and implement "Eris Lifesciences Employee Stock Option Plan-2021" ("ESOP-2021") scheme and to create, grant and offer upto 13,58,630 Employee Stock Options to the present and / or future permanent employees of the Company, at such price and on such terms and conditions and in such tranches as the Board of the Company may deem fit and in compliance with the provisions of the Act and the Rules and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, changes in capital structure, merger and sale of division/undertaking or any other re-organization of capital structure of the Company, as the case may be, the number of Stock Options and/or the shares to be allotted upon exercise of Stock Options shall be reasonably adjusted in accordance with the provisions of the ESOP-2021 scheme, without affecting any other rights or obligations of the employees who have been granted Stock Options under the ESOP-2021 Scheme.

RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under the SEBI (Share Based Employee Benefits) Regulations, 2014 ('SBEB') Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP-2021 scheme.

RESOLVED FURTHER THAT the equity shares to be issued as stated aforesaid shall rank pari-passu with all the existing equity shares of the Company for all purposes.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to the appointment of various intermediaries including Merchant Bankers, Registrars, Compliance Officer, and other Advisors, Valuers, Consultants or Representatives, being incidental to the effective implementation and administration of the ESOP-2021 Scheme , as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage and all the acts, deeds, matters and things done by the Board are hereby ratified, confirmed and approved, without being required to seek any further consent or approval of the members of the Company, and further to execute all such agreements, deeds, documents, writings etc. and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to ESOP-2021 scheme including any modification, alteration, amendment, suspension, withdrawal or termination of ESOP-2021 Scheme and to take all such steps and do all such acts, deeds, things as may be incidental or ancillary thereto in compliance with the applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary including authority to delegate all or any of the powers conferred herein, to any Committee of the Company, with power to such Committee to further delegate such powers to any executives / officers of the Company to give effect to this resolution."

By order of the Board of Directors

Date: July 29, 2021
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
Mem. No. A26493

NOTES:

1. In view of the massive outbreak of COVID-19 pandemic and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 22/2020, 33/2020, 39/2020,02/2021 and 10/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, June 15, 2020, September 28, 2020, December 31, 2020,January 13, 2021 and June 23, 2021, respectively, issued by Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated May 12, 2020 and January 15, 2021, issued by Securities and Exchange Board of India (hereinafter collectively referred to as 'SEBI Circulars'), the fifteenth AGM of the Company will be held through VC / OAVM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015.

3. The Company has engaged the services of National Securities Depository Limited (NSDL), as the authorized agency for conducting the e-AGM, providing remote e-voting and e-voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent paragraphs.

4. Corporate members intending to authorize its representatives to attend the Meeting are requested to submit to the Company, a certified copy of the Board Resolution / authorization document authorizing their representative to attend and vote on their behalf at the Meeting.

5. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of business under Item No. 4 to 12 of the Notice, is annexed hereto. All documents referred to in the accompanying Notice and the Registers under the Companies Act, 2013 will be available electronically for inspection by the members during the AGM.

6. The Register of Members and Share Transfer Books of the Company will remain closed on August 25, 2021.

7. In compliance with above MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website https://eris.co.in/, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The information required to be given for the Director(s) seeking appointment/ reappointment at the AGM as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretary of India and notified by the Ministry of Corporate Affairs forms part of the Notice as "Annexure".

10. Notice of the fifteenth Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to the members, whose email addresses are registered with the Company or Depository Participant[s] for communication purposes.

11. Members who have not registered their e-mail address with the Company may temporary register the same with the Company's Registrar and Share Transfer Agent i.e. M/s Link Intime India Private Limited as per process described below:

    - Members holding shares in electronic/demat form, please update your email address with your depository participants. However, Members may temporarily register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in the Investor Services tab by providing details such as Name, DP ID, Client ID, PAN mobile number and e-mail address.

    - Members holding shares in physical form and who have not registered their email address may register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in Investor Services tab by providing details such as Name, Folio number, Certificate number, PAN mobile number and email address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB).

    On submission of the above member detail, One Time Password (OTP) will be received by the Member which needs to be entered in the link for verification.

12. The aforementioned mechanism of registration of email ids for the purpose of e-voting will be also given by the Company in the Public Notice. Further, the date of completion of sending of the Notice and the Explanatory Statement will be announced through advertisement in newspapers having wide circulation in the district where the Registered Office of Company is situated.

13. The certificate from the Auditors relating to the Company's Stock Options regarding implementation of ESOP, under SEBI (Share Based Employee Benefits) Regulations, 2014 will be available electronically for inspection at the Annual General Meeting.

14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.

15. Non-resident Indian shareholders are requested to inform about the change in the residential status on return to India for permanent settlement, immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be.

16. The Board of Directors has appointed Mr. Ravi Kapoor, Practicing Company Secretary (FCS No. 2587; COP No 2407) to act as Scrutinizer for conducting the e-voting and remote e-voting process in a fair and transparent manner.

17. The Scrutinizer will submit his report to the Chairperson or any other director/person of the Company as authorised by the Board, if any, after completion of the scrutiny of the e-votes submitted. The Scrutinizer's decision on the validity of the e-votes shall be final. The results of the meeting will be announced on or before Friday, September 03, 2021 at the Registered Office of the Company. The results, together with the Scrutinizer's Report, will be displayed at the Registered Office of the Company and on the Company's website viz., www.eris.co.in, besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

18. Voting through electronic means:

    a) The business as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with the Companies [Management and Administration] Rules, 2014, Secretarial Standards-2 issued the Institute of Companies Secretaries of India on General Meetings and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with NSDL to facilitate the members to cast their votes from a place other than the venue of the AGM [remote e-voting].

    b) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

    c) The Notice will be displayed on the website of the Company www.eris.co.in and on the website of NSDL i.e www.evoting.nsdl.com.

    d) The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their e-vote again.

    e) The remote e-voting period will commence at 9:00 a.m. (IST) on Sunday, August 29, 2021 and will end at 5:00 p.m. (IST) on Tuesday, August 31, 2021. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, August 25, 2021 may cast their vote by remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter.

19. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

20. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

    The remote e-voting period begins on Sunday, August 29, 2021 at 09:00 A.M. and ends on Tuesday, August 31, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, August 25, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 25, 2021.

    How do I vote electronically using NSDL e-Voting system?

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

    Step 1: Access to NSDL e-Voting system

    A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

    In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the.pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ravi@ravics.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to complianceofficer@erislifesciences.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to complianceofficer@erislifesciences.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 4 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at complianceofficer@erislifesciences.com.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No. 4

In accordance with the provisions of section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company pertaining to the applicable products manufactured by the Company. On the recommendation of the Audit Committee, the Board of Directors have approved the re-appointment of M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2021-2022, at a remuneration of Rs. 1,70,000/-.

M/s. Kiran J Mehta & Co. Cost Accountants have furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. As per the provisions of the Act read with the Rules, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the Notice.

Accordingly, consent of the members is sought by way of an Ordinary Resolution respectively as set out in Item No. 4 of the Notice.

The Board recommends the Resolution for your approval and ratification.

Item No. 5

The Board of Directors had appointed Mr. Rajeev Dalal, (DIN: 00222650), as an Additional Director of the Company classified as an Independent Director, for a term of five years commencing from December 19, 2020, subject to the approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mr. Rajeev Dalal shall hold office upto the date of this AGM and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received a recommendation of Nomination and Remuneration Committee of the Company, recommending his candidature for the office as an Independent Director.

Accordingly, it is proposed to approve the appointment of Mr. Rajeev Dalal as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from December 19, 2020 upto December 18, 2025.

Mr. Rajeev Dalal is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as an Independent Director and has given his consent to act as an Independent Director. The Company has also received a declaration from Mr. Rajeev Dalal that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations").**

Details of Mr. Rajeev Dalal are provided in Annexure to this Notice, pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The terms and conditions of his appointment shall be available on the website of the Company and open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM.

Brief profile: Mr. Rajeev Dalal is a Member of the Institute of Company Secretaries of India. Further he also holds degree of Bachelor of Law and Bachelor of Commerce. He has also been a member of the Committee appointed by the Securities Exchange Board of India (SEBI) for improving disclosure standards in public documents of Corporates for Capital issues. He has over 35 years of Corporate Finance experience covering 100+ M&A (domestic and cross border) transactions and Private Equity deals in sectors such as Pharma, Chemicals, FMCG, Metals & Mining, Industrials and Financial Services. He was associated with Ernst & Young LLP as transactions partner in 2002, prior to that he was associated with Ind Global Finance Trust (a category 1 investment bank), HSBC and JM Financial in their investment banking divisions.

Mr. Rajeev Dalal is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Relatives of Mr. Rajeev Dalal may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of an Ordinary Resolution respectively as set out in Item No. 5 of the Notice.

The Board recommends the Resolution for your approval.

Item No. 6

The Board of Directors had appointed Ms. Kalpana Unadkat, (DIN: 02490816), as an Additional Director of the Company classified as an Independent Director, for a term of five years commencing from January 05, 2021, subject to the approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Ms. Kalpana Unadkat shall hold office upto the date of this AGM and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received a recommendation of Nomination and Remuneration Committee of the Company, recommending her candidature for the office as an Independent Director.

Accordingly, it is proposed to approve the appointment of Ms. Kalpana Unadkat as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from January 05, 2021 upto January 04, 2026.

Ms. Kalpana Unadkat is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as an Independent Director and has given her consent to act as an Independent Director. The Company has also received a declaration from Ms. Kalpana Unadkat that she meets the criteria of independence as prescribed in under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations").**

Details of Ms. Kalpana Unadkat are provided in Annexure to this Notice, pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The terms and conditions of her appointment shall be available on the website of the Company and open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM.

Brief profile: Ms. Kalpana Unadkat is a qualified Solicitor registered with the Bombay Incorporated Law Society and the Law Society of England & Wales. She brings over two decades of legal experience and is presently a Partner with Khaitan & Co. Prior to Khaitan & Co., Ms. Kalpana Unadkat spent 10 years with the London offices of Ashurst LLP. She is a well-recognised expert on M&A and Corporate Governance principles. She also advises on board effectiveness, particularly around issues of corporate governance, leadership, organisational climate, and decision-making. In this regard, she has led several workshops and trained more than 300 directors with a comprehensive approach to director development. She is also an independent director on the board of public companies (listed and unlisted). She is a co-author of the research "Women on Board" and has been frequently quoted in the media on corporate governance and M&A deals in India.

Ms. Kalpana Unadkat is interested in the resolution set out at Item No. 6 of the Notice with regard to her appointment. Relatives of Ms. Kalpana Unadkat may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of an Ordinary Resolution respectively as set out in Item No. 6 of the Notice.

The Board recommends the Resolution for your approval.

Item No. 7

Mrs. Vijaya Sampath was appointed as an Independent Director on the Board of the Company at the meeting of the Members held on 3rd February, 2017, to hold office upto 2nd February, 2022 ("first term").

The Board of Directors, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered her professional background, expertise and experience and contributions made by her towards the Company during her tenure and found that the continued association of Mrs. Vijaya Sampath would be beneficial to the Company. Hence, it is desirable to re-appoint her in order to avail her services as an Independent Director without any disruption.

Accordingly, it is proposed to approve and ratify the re-appointment of Mrs. Vijaya Sampath as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 3rd February, 2022 upto 2nd February, 2027.

Mrs. Vijaya Sampath is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 ("the Act") nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as an Independent Director and has given her consent to act as a Director. The Company has also received a declaration from Mrs. Vijaya Sampath that she meets the criteria of independence as prescribed in under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations").**

Details of Mrs. Vijaya Sampath are provided in Annexure to this Notice, pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The terms and conditions of her appointment shall be available on the website of the Company and open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM.

Brief profile: Mrs. Vijaya Sampath brings more than 38 years of experience in the legal profession and is proficient in corporate law, joint ventures, mergers and acquisitions and commercial contracts. She has previously worked with the Indian Aluminium Company. She was also associated with Bharti Airtel Limited for eight years as Group General Counsel and Company Secretary. She holds a bachelor's degree in Arts from Madras University and a law degree from Mysore University. She is also a fellow member of the Institute of Company Secretaries of India. She has attended the Advanced Management Program of Harvard Business School, USA and a program on Managing Strategic Alliances conducted by the Wharton School, University of Pennsylvania, USA.

Mrs. Vijaya Sampath is interested in the resolution set out at Item No. 7 of the Notice with regard to her re-appointment. Relatives of Mrs. Vijaya Sampath may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of a Special Resolution respectively as set out in Item No. 7 of the Notice.

The Board recommends the Resolution for your approval.

Item No. 8

Mr. Amit Bakshi is the Chairperson and Managing Director of the Company. He has been on the Board of Directors since the inception of the Company. During the year, his term as Managing Director came to end as on 31st March, 2021. Hence, it is desirable to consider his re-appointment.

Mr. Amit Bakshi has good leadership track record, deep strategic expertise and proven experience in the Indian pharmaceutical industry across multiple Indian pharmaceutical companies. Hence, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, it is desirable to re-appoint him in order to avail his services as the Managing Director without any disruption.

Accordingly, it is proposed to approve the re-appointment of Mr. Amit Bakshi as the Managing Director of the Company, liable to retire by rotation, for a term of five consecutive years commencing from 1st April, 2021 upto 31st March, 2026.

Mr. Amit Bakshi is not disqualified from being appointed as the Managing Director in terms of Section 164 of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as the Managing Director and has given his consent to act as a director.

Further, pursuant to the Section 196, 197 read with Schedule V of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee, the Board at its meeting held on March 31, 2021, had re-appointed Mr. Amit Bakshi as the Managing Director of the Company w.e.f. April 01, 2021 subject to the approval of Members. Details of Mr. Bakshi are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

The Board seeks the consent of the Members of the Company, for the re-appointment of Mr. Bakshi as the Managing Director for a period of five years at the remuneration set out below:

Particulars	**Remuneration per annum (in Rs.)**
Basic salary	1,05,00,000
Leave Travel Allowance	60,00,000
House rent allowance	42,00,000
Child allowance	2,400
Hostel allowance	7,200
Transport allowance	19,200
Medical reimbursement	15,000
Bonus	24,000
Others	84,13,800
Gross	**2,91,81,600**
Gratuity	4,36,800
Company Provident Fund	21,600
Driver Salary and Fuel	3,60,000
Total Fixed Component	**3,00,00,000**
Variable Component	
Maximum Rs. 2,00,00,000/- Subject to approval of Nomination and remuneration committee	2,00,00,000
Total Variable Component	**2,00,00,000**
Total	**5,00,00,000**

Brief profile: Mr. Amit Bakshi has been on the Board of Eris since inception and serves as Chairman and Managing Director. He has over two decades of experience in the Indian pharmaceutical industry across multiple Indian pharmaceutical companies. He takes responsibility for setting the strategic direction for Eris as well as maintaining high governance standards. He oversees the company's business with special focus on enhancing patient engagement and architecting total healthcare solutions. Mr. Bakshi has been recognized as 'Entrepreneur of the Year, 2013' by Ernst & Young LLP.

Mr. Amit Bakshi is interested in the resolution set out at Item No. 8 of the Notice with regard to his re-appointment. Relatives of Mr. Amit Bakshi may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of a Special Resolution respectively as set out in Item No. 8 of the Notice.

The Board recommends the Resolution for your approval and ratification.

Item No. 9 and 10

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, had appointed Mr. Krishnakumar Vaidyanathan (DIN: 08976508) as an Additional Director of the Company with effect from December 20, 2020. Pursuant to Section 161(1) of the Act, Mr. Krishnakumar Vaidyanathan holds office up to the date of this meeting.

Mr. Krishnakumar Vaidyanathan is not disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as the Whole-time Director and has given his consent to act as a director.

Further, pursuant to the Section 196, 197 read with Schedule V of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee, the Board at its meeting held on May 13, 2021, had appointed Mr. Krishnakumar Vaidyanathan as the Whole-time Director of the Company subject to the approval of Members. Details of Mr. Krishnakumar Vaidyanathan are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

The Board seeks the consent of the Members of the Company, for the appointment of Mr. Krishnakumar Vaidyanathan as the Whole Time Director (designated as Executive Director) for a period of five years from the date of this annual general meeting at the remuneration set out below:

Particulars	Remuneration per annum (in Rs.)
Basic salary	1,35,00,000
Leave Travel Allowance	-
House rent allowance	-
Child allowance	-
Hostel allowance	-
Transport allowance	-
Medical reimbursement	-
Bonus	-
Others	2,88,52,050
Gross	**4,23,52,050**
Gratuity	6,49,350
Company Provident Fund	16,20,000
Driver Salary and Fuel	3,60,000
Telephone	12,000
Mediclaim	6,600
Total	**4,50,00,000**

Brief profile: Currently, Mr. Krishnakumar in his role as Chief Operating Officer oversees the business operations of the company. He has over two decades of professional experience across Lifesciences, Corporate Finance and Management Consulting. His core areas of expertise include Strategic Planning, Business Building, Mergers & Acquisitions, Corporate Finance and Operational Excellence. Prior to joining Eris, Mr. Krishnakumar was a Corporate Finance Partner with Ernst & Young LLP for 9 years. Prior to Ernst & Young, Krishnakumar has worked with Avendus Capital, Piramal Pharma Solutions and McKinsey & Company. Mr. Krishnakumar holds an MBA in Finance from IIM Calcutta and a B.Tech from VJTI, Bombay University.

Mr. Krishnakumar Vaidyanathan is interested in the resolution set out at Item No. 9 and 10 of the Notice with regard to his appointment. Relatives of Mr. Krishnakumar Vaidyanathan may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of an Ordinary Resolution and a Special Resolution respectively as set out in Item No. 9 and 10 of the Notice.

The Board recommends the Resolution for your approval and ratification.

Item No. 11

Mr. Inderjeet Singh Negi is the Whole time Director of the Company. He has been on the Board of Directors since the inception of the Company. During the year, his term as the whole time Director came to end as on 31st March, 2021. Hence, it is desirable to consider his re-appointment.

The Board of Directors, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee (the "NRC Committee"), considered his professional background, expertise and experience, on the basis of which it was decided to re-appoint Mr. Inderjeet Singh Negi as the Whole Time Director of the Company.

Accordingly, it is proposed to approve and ratify the re-appointment of Mr. Inderjeet Singh Negi as the Whole Time Director of the Company, liable to retire by rotation, for a term of five consecutive years commencing from 1st April, 2021 upto 31st March, 2026.

Mr. Inderjeet Singh Negi is not disqualified from being appointed as the whole-time Director in terms of Section 164 of the Act nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as the whole time Director and has given his consent to act as a director.

Further, pursuant to the Section 196, 197 read with Schedule V of the Companies Act, 2013, on recommendation of Nomination and Remuneration Committee, the Board at its meeting held on May 13, 2021, had re-appointed Mr. Inderjeet Singh Negi as the Whole Time Director of the Company subject to the approval of Members. Details are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

The Board seeks the consent of the Members of the Company, for the re-appointment of Mr. Inderjeet Singh Negi as the Whole Time Director for a period of five years at the remuneration set out below:

Particulars	Remuneration per annum (in Rs.)
Basic salary	45,50,004
Leave Travel Allowance	26,00,004
House rent allowance	18,20,004
Child allowance	2,400
Hostel allowance	7,200
Transport allowance	19,200
Medical reimbursement	15,000
Bonus	24,000
Others	33,61,732
Gross	**1,23,99,544**
Gratuity	2,18,856
Company Provident Fund	21,600
Driver Salary and Fuel	3,60,000
Telephone	-
Mediclaim	-
Total	**1,30,00,000**

Brief profile: Mr. Inderjeet Singh Negi has been on the Board of Eris since inception and serves in the capacity of Executive Director. He is responsible for driving supply chain and sales administration in line with the overall strategic direction of the company. Mr. Negi has worked with several pharmaceutical companies including Sun Pharma and Intas Pharma in various capacities and has more than 20 years' cumulative professional experience. Mr. Negi is a science graduate from HNB Garhwal university.

Mr. Inderjeet Singh Negi is interested in the resolution set out at Item No. 11 of the Notice with regard to his re-appointment. Relatives of Mr. Inderjeet Singh Negi may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of a Special Resolution respectively as set out in Item No. 11 of the Notice.

The Board recommends the Resolution for your approval and ratification.

Item No. 12

As the members are aware, stock options have long been recognized as an effective instrument to attract and retain the key critical talent in an increasingly competitive environment. This ESOP scheme will help to align the senior stakeholders to drive the Company Vision and a high performance culture by being the shareholders and having an opportunity to maximize wealth creation.

With the above objective and based on the recommendation of the Nomination and Remuneration Committee of the Company and subject to approval of the members of the Company, the Board of Directors of the Company pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Share Capital and Debenture) Rules, 2014 and other applicable laws, at their meeting held on July 29, 2021 approved introduction and implementation of 'Eris Lifesciences Limited Employee Stock Option Plan 2021' ("ESOP-2021") scheme. The ESOP scheme has been formulated in accordance with the applicable laws.

The ESOP Scheme will be implemented directly and administered by the Nomination and Remuneration ("NRC") Committee of the Company.

The salient features of the scheme are as follows:

a)	Brief description of the scheme and particulars of benefits for the employees	The scheme would enable eligible employees to acquire ESOPs at an exercise price which would be at a 20% discount to the Eris share price at the time of the grant. Additional details appear below.
b)	Total number of options to be granted	A total of up to 13,58,630 options would be available for grant in multiple tranches which could be spread over a period of up to 6 years.
c)	Identification of class of employees entitled to participate	The permanent employees at senior levels would be entitled to participate in the ESOP scheme.
d)	Requirements of vesting and period of vesting	The requirement of vesting would be continuity of employment with the company. The granted options shall vest over a period of 4 (four) years following the grant. Thus 25% of the granted options shall vest at each anniversary of the grant.
e)	Maximum period within which options shall be vested	The maximum vesting period shall not be more than 4 (four) years from the date of grant of stock options.
f)	Exercise price or pricing formula	The exercise price shall be 80% of the closing price (CMP) of the equity shares of the company on the National Stock Exchange of India Limited on the date immediately preceding the date of grant and if such a date is a trading holiday, the earliest such preceding day which is not a trading holiday.
g)	Exercise period and process of exercise	Each vested lot of the granted options shall be capable of being exercised on or before the seventh anniversary of the date of vesting. The exercise shall be made by means of a formal application duly signed by the option grantee (or his nominee in case of death of the option grantee).
h)	The appraisal process for determining the eligibility of employees for the scheme	The NRC of the company shall determine the eligibility of employees to the ESOP scheme. It may be guided by suitable external agencies in this regard.
i)	Maximum number of options to be issued per employee and in aggregate	A maximum of 4,00,000 options per employee could be issued. A maximum of 1,358,630 options would be issued in aggregate.
j)	Maximum quantum of benefits to be provided per employee under the scheme	The Maximum quantum of benefits per employee shall not exceed: 20% of the CMP as on the respective dates of grant, aggregated across all the grants made to that particular employee.
k)	Whether the scheme is to be implemented and administered directly by the Company or through a trust	Directly by the Company through its Nomination and Remuneration Committee.
l)	Whether the scheme involves new issue of shares by the company or secondary acquisition by the trust or both	The scheme involves new issue of shares by the Company.

m)	The amount of loan to be provided for the implementation of the scheme by the Company to the ESOP Trust	Not applicable.
n)	Maximum percentage of secondary acquisition (subject to limits specified under the SEBI Regulations) that can be made by the ESOP trust for the purpose of Plan	Not applicable.
o)	Statement to the effect that the company shall comply with the applicable accounting standards	The Company shall comply with the applicable accounting standards.
p)	The method which the company shall use to value its options	Black Scholes formula
q)	Any interest of key managerial personnel, directors or promoters in such scheme and effect thereof	No key managerial personnel, and directors are interested in the scheme and effect there of except to the extent of the possible grant that may be made to them. None of the promoters and independent directors are interested in the scheme and effect thereof.
r)	The details about how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised.	Employees who are granted the options would exercise the voting rights in respect of the equity shares resulting from the allotment against exercised options on their own.
s)	Lock-in period	There shall be no lock in period on the shares allotted against the exercise of vested options.
t)	The conditions under which options vested in employees may lapse	The options vested and exercisable by the employees may lapse, inter alia, upon: 1. Termination of employment: For any misconduct or other just cause. 2. Resignation of the employee: In case the vested options are not exercised on or before the date of relieving from the Company. 3. Retirement of the employee: In case the vested options are not exercised on or before the expiration of 6 months from the date of retirement. 4. Death of the employee: Non-exercise (by the nominee of the deceased employee) within the stipulated period of 6 months from the date of demise. 5. Others: Non-exercise by the employee (of the options vested in him) in cases of change of employment made at the behest of the Company, e.g., intra group transfer, divestment of business unit, division and the likes, within a stipulated period of 6 months from the effective date of such change/s.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution except to the extent of their shareholding, if any.

Accordingly, consent of the members is sought by way of a Special Resolution respectively as set out in Item No. 12 of the Notice.

The Board recommends the Resolution for your approval.

By order of the Board of Directors

Date: July 29, 2021
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
Mem. No. A26493

ANNEXURE TO THE NOTICE

The information required to be given for the Directors seeking appointment/ reappointment at the Annual General Meeting as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are as under:

Mr. Rajeev Dalal	
Age	~64 years
Qualifications	Member of the Institute of Company Secretaries of India. He also holds degree of Bachelor of Law and Bachelor of Commerce.
Experience	Please refer explanatory statement Item No. 5.
Expertise in specific functional areas	
Date of first appointment on the Board	19/12/2020
Shareholding in the Company as on March 31, 2021	0
Remuneration last drawn (FY 2020-21)	Rs. 1.08 million
Remuneration proposed to be paid	Fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	0
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	1
Number of Board Meetings attended	2
Justification for choosing the appointees for appointment as Independent Directors shall be disclosed	Demonstrated proficiency and Independence during the meetings of the Board and Committees attended since the appointment made by the Board.

Ms. Kalpana Unadkat	
Age	~51 years
Qualifications	Solicitor, England & Wales; Solicitor, Mumbai; LL.B., Government Law College.
Experience	Please refer explanatory statement Item No. 6.
Expertise in specific functional areas	
Date of first appointment on the Board	05/01/2021
Shareholding in the Company as on March 31, 2021	0
Remuneration last drawn (FY 2020-21)	Rs. 0.91 million
Remuneration proposed to be paid	Fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None

Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	1
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	3
Number of Board Meetings attended	1
Justification for choosing the appointees for appointment as Independent Directors shall be disclosed	Demonstrated proficiency and Independence during the meetings of the Board and Committees attended since the appointment made by the Board.

Mrs. Vijaya Sampath	
Age	~68 years
Qualifications	Bachelor's degree in Arts from Madras University and a law degree from Mysore University. She is also a fellow member of the Institute of Company Secretaries of India.
Experience	Please refer explanatory statement Item No. 7.
Expertise in specific functional areas	
Date of first appointment on the Board	03/02/2017
Shareholding in the Company as on March 31, 2021	2220 Equity Shares
Remuneration last drawn (FY 2020-21)	Rs. 1.55 million
Remuneration proposed to be paid	Fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	6
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	6
Number of Board Meetings attended	6
Justification for choosing the appointees for appointment as Independent Directors shall be disclosed	Demonstrated proficiency and Independence during the meetings of the Board and Committees attended since her last appointment.

Mr. Amit Bakshi	
Age	~46 years
Qualifications	Indian School Certificate Examination.
Experience	Please refer explanatory statement Item No. 8.
Expertise in specific functional areas	
Date of first appointment on the Board	27/01/2007
Shareholding in the Company as on March 31, 2021	54698423 Equity Shares
Remuneration last drawn (FY 2020-21)	Rs. 26.70 million
Remuneration proposed to be paid	The remuneration structure can be reviewed and/ or revised by the Board on the recommendation of the Nomination & Remuneration Committee within the limits prescribed under the Companies Act 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the term of his appointment.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	0
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	0
Number of Board Meetings attended	6

Mr. Krishnakumar Vaidyanathan	
Age	~47 years
Qualifications	MBA in Finance from IIM Calcutta and a B.Tech from VJTI, Bombay University.
Experience	Please refer explanatory statement Item No. 9 and 10.
Expertise in specific functional areas	
Date of first appointment on the Board	20/12/2020
Shareholding in the Company as on March 31, 2021	0
Remuneration last drawn (FY 2020-21)	Rs. 35.65 million
Remuneration proposed to be paid	The remuneration structure can be reviewed and/ or revised by the Board on the recommendation of the Nomination & Remuneration Committee within the limits prescribed under the Companies Act 2013 during the term of appointment.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	0
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	1
Number of Board Meetings attended	2

Mr. Inderjeet Singh Negi	
Age	~50years
Qualifications	Bachelor's degree in science
Experience	Please refer explanatory statement Item No. 11.
Expertise in specific functional areas	
Date of first appointment on the Board	27/01/2007
Shareholding in the Company as on March 31, 2021	5939833 Equity Shares
Remuneration last drawn (FY 2020-21)	Rs. 11.59 million
Remuneration proposed to be paid	The remuneration structure can be reviewed and/ or revised by the Board on the recommendation of the Nomination & Remuneration Committee within the limits prescribed under the Companies Act 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the term of his appointment.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2021 (Other than Eris Lifesciences Limited)	0
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2021	1
Number of Board Meetings attended	5

By order of the Board of Directors

Date: July 29, 2021
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
Mem. No. A26493

www.eris.co.in

POWER OF EMPATHY
TRUTH OF SCIENCE

ERIS LIFESCIENCES LTD
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16th ANNUAL REPORT

2021–22

Eris

POWER OF EMPATHY
TRUTH OF SCIENCE

15 YEARS OF EXCELLENCE

SEARCH
ANALYSIS

FORWARD-LOOKING STATEMENTS

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

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FY 22

Op. Revenue (INR)	EBITDA (INR)
13,470 mn	4,850 mn
11.2 % yoy growth	12.6 % yoy growth

PAT (INR)	EPS (INR)
4,058 mn	29.89
14.3 % yoy growth	14.3 % yoy growth

RoIC*	RoE*
33.9 %	33.4 %
37 bps yoy growth	264 bps yoy growth

**RoIC and RoE are excluding treasury investments, cash & cash equivalents*

Patient Care Initiatives

For Better Clinical Outcomes

Patient centricity has been the focal point of our clinician engagement and the driving force for all our efforts. These initiatives allow us to engage with our physicians in an open and sustained manner while bringing them data driven solutions that help them to engage with patients and improve health outcomes.

The need for enhanced knowledge and understanding among patients of their own health, well-being, and healthcare choices, eventually leading to improved care and decreased levels of illness, cannot be stressed enough. The pandemic has only brought this need to the forefront. Recognising our role as a responsible partner in the healthcare delivery ecosystem, we stepped up our efforts to empower patients and are now facilitating 1,500+ ABPMs per month and 600+ CGMs per month. These initiatives, which spearhead our clinician engagement across various therapies like diabetes care, cardiac care, neurology and women's health, bring state-of the art diagnosis and monitoring facilities to the patient's doorstep.

Data driven insights derived over the years from these cutting-edge healthcare solutions have reinforced Eris's position as a science led company and have helped us build lasting relationships with Key Opinion Leaders and Specialist doctors in our coverage.

ABPM on Call	Number of Patients Screened	1,09,049
HOLTER ON CALL	Number of Patients Screened	55,229
CGM ON CALL	Number of Patients Screened	28,764
MOBILITY Patron	Number of Patients Screened	88,902
Sleep Study On Call	Number of Patients Screened	17,883
Montana anc associate FOGSI	Number of Patients Screened	1,87,104
INDIA WALKS	Number of Patients Screened	2,49,379

India Diabetes Study (IDS)

First-of-its kind nation-wide study supported by Eris Lifesciences

Understanding Cardiovascular Risk in Newly Diagnosed Type 2 Diabetes Patients in India

INDIA DIABETES STUDY

5080
Patients

1932
Physicians

928
Medical centres

121 Cities across **27** Indian states

BLOOD SUGAR

49%
patients had
HbA1c >8

82.5%
patients had at least
one lipid profile abnormality

66%
patients classified
as OVERWEIGHT

42%
patients were
hypertensive

45%
Men had
hypertension

37.5%
Women had
hypertension

The study was published in the **Public Library Of Science (PLOS) journal**

CMD's LETTER
to Shareholders

One more year has gone by and we have turned 15 years old. We have made rapid strides since our humble beginnings to metamorphosize into India's 22nd largest domestic formulations company. With the Power of Empathy and the Truth of Science as our shining beacons, we continue to scale greater heights in our quest to enable patients towards better health and lifestyles.

The biggest area of focus for FY 22 has been to expand the business and create a growth platform for the next 10 years. The era of patent expirations and exciting new product launches in Oral Anti-Diabetes begins in FY 23 and we expect to gain prominent market positions in the new product launches. We entered the INR 3,500 crore market for Insulin and Analogues in Jan 2022 through an equity partnership with MJ Biopharm in Jan 2022. This initiative further underscores our commitment as a serious stakeholder in managing the diabetes burden of the nation. We launched Xsulin, our brand of human insulin in Feb 2022. We expect to follow this up with Glargine, a key insulin analog in CY 2023 and Liraglutide, a GLP1 Agonist in CY 2024. Our Oral Anti-Diabetes and Insulin franchises were further strengthened in FY 22 by our technology solutions consisting of Blood Glucometers, Continuous Glucose Monitors and HbA1C Monitors.

We entered the INR 11,000+ crore Dermatology segment in May 2022 through the acquisition of a 100% equity stake in Oaknet Healthcare. Eris' Specialty Franchise gets a significant impetus with this acquisition. Oaknet enjoys near 100% coverage of ~11,000 Dermatologists across India with a 60% penetration. With a specialty component of 43% and a strong platform in Medical Dermatology, Oaknet provides us with a robust growth platform in Dermatology as well as Cosmetology. In line with our Strides and Zomelis acquisitions, we are confident that the Oaknet transaction will create long-term value for our shareholders.

We expanded our presence in Women's Healthcare by entering the ~INR 650 crore Dydrogesterone market growing at over 50% p.a. through the launch of our brand Drolute in Q4 of FY 22. This underscores our commitment to invest and grow in Women's Health as a key new therapy for Eris.

With all these expansionary initiatives, Eris is now present in 87% of the INR 55,000 crore Indian Chronic Care Market, with a leading presence in the major Chronic Therapies – Cardiology, Oral Diabetes Care, Insulin, Neuro/CNS and Dermatology.

We now have 12 divisions (including Insulin) organized into 5 Clusters, of which 7 divisions are dedicated to our flagship cardio-metabolic business. We have 2 Neuropsychiatry divisions, 1 Women' Health division and 2 divisions focused on VMN and other segments. We continue to see strong traction in the expansion of our coverage of Specialists and Consulting Physicians.

As discussed last year, we have an exciting period of organic growth coming up in the next 3-4 years, driven by multiple factors. The series of exciting new launches on account of patent expirations in our core therapies is expected to continue well into FY 25. We will see interesting new product launches in Oral Anti-Diabetes, Cardiology, Insulin Analogues & GLP1 Agonists, as well as in Dermatology and Cosmetology through our Oaknet platform. We continue to make great strides in our Patient Care Initiatives driven by our technology offerings and the culture of empathy that permeates our organization.

On behalf of the Board of Directors, I thank all our stakeholders for 15 years of trust and support. As we begin the next 5-year leg of our journey towards our 20th year, I look forward to your continued support in our endeavours.

With warm regards,

Amit Bakshi

Chairman and Managing Director

FROM THE COO's DESK

Greetings. I have been serving as the Chief Operating Officer of your company for a little over a year now. I had written to you last year that my role is to prepare Eris for the next leg of growth by strengthening our organizational and business operations. We have kick-started several initiatives in this regard in FY 22, the execution of which will continue well into FY 23.

Eris now counts itself among the very few Indian pharma companies to have achieved a PAT of INR 400+ crore in just 15 years from inception. In FY 22 the business clocked a consolidated revenue of INR 1,347 crore with a PAT of INR 406 crore. The company has delivered an EPS CAGR of 18% over the last 2 years and maintained a dividend payout of ~20% over this period. The company has maintained an ROIC of >= 30% for the last 13 years in a row. Our business model continues to be cash-accretive with an OCF-to-EBIDTA ratio of 78%. Our standalone field-force productivity has grown to INR 5 lakh, up from INR 4.50 lakh in FY 21 and INR 3.90 lakh in FY 20. This is despite the business operations being hit by successive waves of Covid since March 2020. Team Eris came together yet again with remarkable spirit and determination to deliver yet another successful year.

We continue to differentiate ourselves in the marketplace through our dual levers of (i) India-centric Scientific Studies, and (ii) Patient Care Initiatives. On the back of the Covid pandemic, we completed our India Diabetes Study, which was the first-of-its-kind study in India to assess cardiovascular risk in newly diagnosed Type-2 Diabetes patients. This involved the participation of 5000+ patients, 1900+ physicians and 900+ medical centres across 27 Indian states. The results were published in the Public Library Of Science (PLOS) Journal. Our Patient Care Initiatives achieved new milestones with 1,00,000+ ABPM, 55,000+ Holter and 22,000+ CGM initiatives in the bag since inception. We are presently at monthly run-rates of 2000+ ABPM-On-Call and 1100+ CGM-On-Call initiatives.

We harnessed our inorganic growth levers by way of an equity alliance with MJ Biopharm for the Insulin/ Analogues business and the acquisition of Oaknet Healthcare to propel our entry into Dermatology. With a revenue base of INR 195 crore in FY 22, Oaknet brings marquee brands like Cosvate and Cosmelite into the Eris portfolio. Post the completion of this acquisition, we are now ranked #21 in the Indian Pharma Market with our Top-6 therapies (Diabetes, Cardiology, VMN, Dermatology, CNS and Women's Health) accounting for 90% of our revenue. Chronic and Sub-Chronic therapies continue to account for ~90% of our revenue, and our NLEM exposure (~7%) remains among the lowest in the IPM.

FY 22 saw a significant acceleration in our pace of technology adoption. We completed the implementation of DarwinBox, a best-in-class HR Management System. We completed the groundwork and vendor selection for the implementation of SAP S/4HANA, due for implementation in FY 23. We have migrated the entire organization to the O365 platform to enhance day-to-day tech. stability and security. We have also implemented the Barracuda suite of cyber-security solutions to minimize our vulnerabilities to online hacks and ransomware attacks which are increasingly becoming the order of the day.

We have always believed in maximizing in-house manufacturing, so as to provide our patients with access to the best quality, supply security and price. In FY 22, our Guwahati facility accounted for ~80% of products sold by value. Considering that our Rx tablet block had reached a capacity utilization of ~80% in FY 22, it was the right time to start planning our long-term manufacturing strategy. After careful consideration of all options, we picked Ahmedabad as the location for our second facility. In addition to oral solids, the facility will also have the capability to manufacture sterile injectables and oral liquids. Our Phase-I capex is estimated at ~INR 170 crore, of which ~INR 65 crore has been spent in FY 22. The facility is being built to comply with WHO GMP standards. This facility is on track to be commissioned by the end of calendar year 2022.

We are seeing a significant expansion in our operating footprint with the growth of the legacy Eris business, the expansion of our Circa range of medical technology solutions, the addition of Eris MJ Biopharm and Eris Oaknet Healthcare, as well as the impending commissioning of our second manufacturing facility. Hence, we have invested in strengthening of our Supply Chain leadership and processes as well. The implementation of SAP S/4HANA will provide a significant impetus in strengthening our Production Planning and Distribution operations to be able to deliver OTIF across the board while achieving an optimal balance between cost, inventory and utilisation of internal manufacturing capacity.

In FY 22, we strengthened our senior management cadre in Sales & Marketing, Technology, Business Development, Supply Chain and Medical Services. We designed and rolled-out a competitive ESOP scheme covering the Top-50 senior management team members.

Our growth in FY 23 as well as over the next 3 years will be led by the scale-up of our power brands portfolio, leveraging patent expiration opportunities and the expansion of our Insulin and Oaknet businesses. FY 23 will be a significant year in terms of investments being made – including for the Insulin business, the integration of Oaknet, field-force expansion in our cardiometabolic divisions, landmark new product launches, the commissioning of our second manufacturing facility and SAP S/4HANA implementation.

I look forward to the guidance of our Board and the support of my colleagues as we gear up to navigate this exciting phase of growth ahead of us.

With best regards,

Krishnakumar V
Executive Director & Chief Operating Officer

FROM THE CFO's DESK

Greetings. It is my privilege to share the results of FY 22 with you. We closed FY 22 with a consolidated revenue of INR 13,470 mn, a consolidated EBIDTA of INR 4,850 mn and a consolidated PAT of INR 4,058 mn. The business has been generating strong cashflows from its fourth year of inception; in FY 22 the consolidated operating cashflow was INR 3,783 mn, which represents 78% of EBIDTA and remains among the highest in the industry.

We registered good growth in our core therapies in FY 22 with our cardiometabolic franchise having grown at ~16%, which is more than twice the market growth of 7.6%. Our VMN franchise grew at 8.6% compared to the market growth of 12.2% as the Covid pandemic started abating post July 2021. We have been making significant progress in our Women's Health and CNS franchises, which are our fastest growing segments today. Our Women's Health franchise grew at ~25% in FY22 compared to a market growth of 15%. And our CNS franchise grew at 33% in FY 22 compared to the market growth of 8.7%.

Our standalone business recorded a gross margin of 83.60%, which represents an improvement of 148 bps on the back of a better product mix in comparison with FY 21. The impact of rising input prices on our cost of goods sold was mitigated to a significant extent by these factors.

Our consolidated employee expenses witnessed a marginal reduction to 18.7% of Revenue compared to 18.9% last year. Our consolidated other expenses remained more or less at last year's levels (26.1% of Revenue in FY 22 vs. 25.9% in FY 21) despite a full-fledged return to work-from-office and resumption of routine field activities following the abatement of the Covid pandemic.

Our consolidated EBIDTA margin improved by 47 bps to 36% in FY 22 and our consolidated PAT margin improved by 82 bps to 30.1% in FY 22. Our effective tax rate stood at 8.2% of PBT vs 10.0% in FY 21.

Taking investor feedback on board, we revised our depreciation and amortization policies at the start of FY 22. Specifically, we reassessed the useful life of brands after taking into consideration prevalent industry practices; based on the said reassessment, we revised the useful life of Brands in Intangibles down to 20 years from 50 years with effect from April 01, 2021. We also reassessed the method of providing depreciation on tangible assets after taking into consideration prior experience and expected usage. Based on the said reassessment, we have revised the method of depreciation to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment and Right of Use assets with effect from April 01, 2021.

We have accounted for these changes in estimate of useful life and depreciation method prospectively and consequently, the depreciation and amortisation expense for FY 22 is higher by INR 1.88 mn.

We are entering an exciting growth phase driven by patent expirations and significant new launches. We kick-started this phase with the launch of 2 major products Xsulin and Drolute in Q4 of FY 22. Investment in these launches has driven an increase in our standalone debtor days from 37 days in FY 21 to 41 days at the end of FY 22. Our core working capital (debtors, creditors and inventories) in the standalone business has increased from 30 days in FY 21 to 38 days in FY 22. We have guided towards 15+ new launches in FY 23 including 5-6 significant launches. We expect working capital requirements to remain at elevated levels over the next few quarters as we keep investing in our new product launch pipeline.

We continue to earn high return on the capital and shareholders' equity invested in the business. Consolidated ROIC (Return on Invested Capital) increased to 33.9% in FY 22 compared to 33.5% in FY 21. We have consistently delivered an ROIC higher than 30% for 13 years in row. Consolidated ROE (Return On Equity) ex. Cash improved to 33.4% in FY 22 compared to 30.7% in FY 21.

In line with our capital allocation policy, we declared and paid a dividend of INR 6.01 per share, which is 20% of our Net Profits for the year. We will endeavour to maintain a minimum payout of 20% in the future as well.

We acquired a 100% stake in Oaknet Healthcare Ltd. for an Equity Valuation of INR 6,500 million. The deal was financed through a judicious mix of internal accruals (INR 3,000 mn) and debt (INR 3,500 mn). The business is housed in Eris Oaknet Healthcare Ltd., a 100% subsidiary of Eris.

We have created significant value from our acquisitions of the Strides domestic business and Zomelis brand through multiple levers including brand growth, launch of line extensions, expansion of field-force productivity and significant COGS reduction. As we integrate Oaknet's operations, we expect significant value creation levers to come into play through new product launches in medical dermatology as well as cosmetology, expansion of field force productivity and overall improvement in operating efficiencies.

It has been my pleasure to have been part of this journey so far. I look forward to an exciting future that promises to be a rewarding one for all our stakeholders.

With warm regards,

Sachin Shah
Chief Financial Officer

Eris At a Glance

Who we are

Eris Lifesciences Ltd is the only publicly listed Indian Pharmaceutical company with a pure-play domestic branded formulations business model. Ranked 22 in the IPM, Eris has established an esteemed market presence in its core cardio-metabolic franchise in just 15 years since inception.

We began our journey 15 years ago in 2007 with the vision to make a meaningful impact in the management of chronic lifestyle related diseases. The thesis of our existence has remained unchanged since then – to channel the advantages of the latest scientific developments to aid our physicians and patients with better disease management options.

We are India's only domestic listed pharma company with a business model focused entirely on the Indian branded formulation market. Our high degree of conviction in the importance of chronic lifestyle related therapy management has led to our business being highly focused – 93% of our business comes from chronic and sub-chronic therapies. Our business is pivoted around specialist and super specialist doctors as well as high end consulting physicians and as a result of our science led market engagement programs, we enjoy high prescription ranks with these physicians. These market engagement programs take the form of 3 activities - Dissemination of latest scientific knowledge through CMEs and Webinars, our unique Patient Care Initiatives (PCI) and Generation of actionable scientific evidence through India-centric studies.

PCIs are the focal point of our efforts towards creating a science led, transparent and symbiotic relationship with our customers. Through our PCI platform, we bring cutting edge disease diagnosis and monitoring technologies to patients. The data driven insights from these interventions are immensely useful to our physicians in managing the health outcomes of their patients. Over the years, these initiatives have helped myriads of patients take charge of their health outcomes and we remain passionate to take it to even larger scales going forward. The insights we derived over the years from these initiatives eventually paved the way for us to deliberate on taking the lead in creating India centric studies – to overcome the limitation in data centric understanding of the Indian populations' pharmacological distinctiveness. In FY 21 we published our first such study – The India Heart Study, the only study of its kind on hypertension based on the Indian population. On the back of IHS's sounding success, this year we concluded the India Diabetes Study, the results of which were published in April 2022.

Diabetes care is our flagship therapy contributing to 32% of our FY 22 revenue and we enjoy esteemed ranks in the Oral Diabetes franchise. We rank No 5 in our covered Oral Diabetes market in terms of revenue and No 3 in terms of prescription share. To further enhance our presence in diabetes and to leverage on our high ranks, this year we extended our presence to include Human Insulin. Over the span of the next 3-4 years, we plan to extend our diabetes presence further with the launch of analogue

insulins and GLP 1 agonists. Cardiac care is our second largest therapy followed by VMN, CNS, Gastro and Women's health.

We have a fully integrated business model with our manufacturing facility in Guwahati contributing to 79% of the products sold during FY 22. Our forthcoming new manufacturing facility in Gujarat, which is expected to be operational by end of CY 22, will further augment our manufacturing capabilities. Our distribution network is present pan India with over 2,000 stockists and 5,00,000+ chemists. Over 4,200 Erisians work in our offices in Ahmedabad and Mumbai, at our manufacturing facility and on the field across the nation.

We clocked in consolidated operating revenue of INR 13,470 mn in FY 22, registering a growth of 5x in the 10 years since FY 12. Our net profits have grown 11x in the last 10 years to INR 4,058 mn in FY 22. We have maintained strict discipline in our capital allocation strategy which has led to our ROICs being in excess of 30% for the last 13 years. 15 years into our existence, the fundamental pillars of our business remain intact – chronic and specialty focused domestic business with a low NLEM exposure, leading brands in core therapies, high margins and return metrics, industry leading cash generation and a strong net debt free balance sheet. We look forward to harness the power of these pillars as we lean into the next leg of our growth journey.

10 Year Financial Highlights

CONSOLIDATED	Ind AS						Ind GAAP			
INR mn	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Operating Results										
Operating Revenue	13,470	12,119	10,741	9,822	8,556	7,495	5,970	5,456	5,088	3,931
Operating EBIDTA	4,850	4,306	3,684	3,449	3,220	2,691	1,715	1,215	989	859
Operating EBIDTA Margin	36%	36%	34%	35%	38%	36%	29%	22%	19%	22%
Net Profit	4,058	3,551	2,965	2,911	2,950	2,466	1,349	893	705	584
Net Profit Margin	30%	29%	28%	30%	34%	33%	23%	16%	14%	15%
Cash Flow Generation										
Operating Cash Flow (OCF)	3,783	3,754	2,712	2,230	2,346	2,002	1,315	901	896	380
OCF as a % of EBITDA	78%	87%	74%	65%	73%	74%	77%	74%	91%	44%
Assets Employed										
Tangible Assets	1,679	779	873	553	526	557	707	675	711	235
Intangible Assets	7,531	7,776	7,919	7,072	7,185	1,760	7	42	39	34
Core Working Capital	1,611	1,323	1,263	825	413	662	484	446	298	378
Treasury Investments	6,346	4,159	1,453	3,634	3,760	3,057	1,997	1,722	913	514
Total	**17,166**	**14,036**	**11,508**	**12,084**	**11,884**	**6,035**	**3,195**	**2,885**	**1,960**	**1,161**
Financed By										
Equity	19,083	15,764	12,963	11,505	8,613	5,671	2,992	2,657	1,765	1,061
Debt	804	45	61	1,764	3,768	6	5	10	5	26
Return on Invested Capital (RoIC)	**34%**	**34%**	**30%**	**33%**	**51%**	**127%**	**150%**	**112%**	**124%**	**174%**
Return on Equity (RoE)	**33%**	**31%**	**30%**	**44%**	**74%**	**126%**	**132%**	**95%**	**94%**	**129%**

RoIC = Operating EBIT/Average Invested Capital (Ex-cash) | **RoE** = Net Profit attributable to owners/Average Net worth (Ex-cash) | **Net worth (Ex-cash)** = Net worth – (Treasury Investments + Cash and cash equivalents + other bank balances) | **Invested Capital (Ex-cash)** = Net worth (ex-cash) + long-term Borrowings + Current maturities of long-term borrowings

Tangible assets include Right of use assets | **Intangible assets** include Intangible assets under development and goodwill

Our Business

Eris derives all of its standalone revenue from the domestic branded formulations market. Chronic and sub-chronic therapies account for 93% of our business (vs 53% for IPM).

Source: AWACS MAT Mar 22

Our Top Mother Brands

We have a focused portfolio with our Top 15 mother brands accounting for nearly 75% of our revenue

Source: AWACS MAT Mar 22

Our Prescription Rankings

Continued High Prescription Ranks Among Super-Specialists

Our relentless efforts in deepening our coverage of specialists and consulting physicians has resulted in high ranks among doctor specialties.

Source: SMSRC MAT Feb'22 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists

Our Strategic Business Units

Cluster 1

Eris
ASPIRE

Diabetes

Cluster 2

Phoenix
Victus

Diabetes

Cluster 3

Inspira
ADURA

CVD

Cluster 4

Altiza
A division of ERIS
Eterna

CNS

Cluster 5

Nikkos
Montana
Filix

Women's Health & Wellness

BluTeam

Insulin

**The Insulin division is placed in the subsidiary*

Our Therapy Areas

DIABETES CARE

Oral Diabetes Care

Oral diabetes care is our flagship therapy contributing to 32% of FY 22 revenue. In our covered market of ~INR 10,000 crore, we rank #5^ in terms of revenue and #3 as per Rx ranks.
(Source: SMSRC MAT Feb'22) ^ Rank in the represented market

Over the years we have created a strong full-service presence across all the OHA* segments – Sulphonylureas, DPP4 Inhibitors and SGLT 2 Inhibitors. Our successful legacy diabetes brands enjoy high ranks in highly competitive segments - Glimisave is Rank #6, Cyblex is Rank #5 and Tendia Rank #4. The established presence in diabetes thus paved the way for our 2 key new launches in Oral Diabetes in the last 2 years – Zomelis and Gluxit in the newer generation OHA* segments of DPP4 and SGLT2 inhibitors.

In FY 22, while the IPM's Oral Diabetes Care segment grew at 6.3%, Eris outgrew it with a strong yoy growth rate of 13.9%.

1.3x times faster growth than market

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 5,354 mn

Source: AWACS MAT Mar'22

Insulin

FY 22 marks Eris's entry in the INR 3,500 crore Insulin market with the launch of human insulin through our subsidiary Eris MJ Biopharm Ltd, which houses our joint venture partnership with MJ Biopharm, our strategic partner in the insulin business. In Q4 FY 22, we launched the first product in this bucket, Xsulin our launch in the regular and premix human insulin segment, in the forms of vials and cartridges. We expect meaningful growth in this segment for Eris in the years ahead as Xsulin scales up and new products like Glargine, Lispro, Aspart and Liraglutide are added to the portfolio.

GlimiSave | Tendia | Zomelis | Cyblex | Gluxit | xsulin

**Orally Administered Anti-Hyperglycemic Agents*

Our Therapy Areas

CARDIAC CARE

Cardiac Care is our second largest therapy area, contributing 28% of our business. Over FY 12 to FY 22, our Cardiac Care franchise has grown 1.4x faster than the market at a CAGR of 16%.

Eris is ranked #4 in terms of prescription rank among Cardiologists and #9 ^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, Olmin, LNBloc, Crevast and Atorsave – in the Cardiac segment.

(Source: SMSRC MAT Feb'22) ^ Rank in the represented market

1.4x times faster growth than market

Source: AWACS MAT Mar'22

**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 4,598 mn

Source: AWACS MAT Mar'22

Eritel | LNBLOC | Olmin | Crevast | Rivalto

Our Therapy Areas

VITAMINS, MINERALS AND NUTRIENTS

Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 3,215 mn or 19% of our business. Over FY 12 to FY 22, our VMN franchise has grown in-line with the market at a CAGR of 10.5%.

In FY 22, while the VMN market grew at 12.2%, Eris' VMN franchise grew at 8.6%.

NEW LAUNCHES IN FY 22

- Renerve Total
- Remylin Dx
- Zac Day
- Ginkocer Forte
- Tayo Raga

Performed in-line with the market

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 3,215 mn

Source: AWACS MAT Mar'22

ReNerve | Tayo | Remylin | ZAC-D | GINKOCER

Our Therapy Areas

WOMEN'S HEALTH

Our women's health segment contributed INR 605 mn or 4% of our business. Over the last decade, Eris has outperformed the women's health market by 2.2x by growing at a CAGR of 17%.

In FY 22, women's health market grew by 13.4% yoy. Eris outperformed the market by growing at 16.4%.

NEW LAUNCH IN FY 22 → **Drolute**

2.2x times faster growth than market

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 605 mn

Source: AWACS MAT Mar'22

Raricap | Metital | RARISET | Drolute

Our Therapy Areas

CENTRAL NERVOUS SYSTEM (CNS)

Our fourth largest therapy area, CNS contributed INR 1,297 mn or 8% of our business.

In FY 22, while CNS market grew by 8.7% yoy, Eris's CNS segment growth at 33.2% was nearly 4 times the market rate.

FY 22 Revenue = INR 1,297 mn

Source: AWACS MAT Mar'22

Serlift | Levroxa | DESVAL ER | SonaXa | Bricet

Our Therapy Areas

GASTRO INTESTINAL (GI)

The largest therapy area in our acute franchise, GI contributed to INR 756 mn or 5% of our business.

Over FY 12 to FY 22, our GI franchise has grown at a CAGR of 1%. In FY 22, while the GI market grew at 17.3%, Eris under-performed the market by growing at 2.9%.

Under-performed the market

CAGR over FY 12 - FY 22

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 756 mn

FY 22 YoY growth rate

Source: AWACS MAT Mar'22

Rabonik | Velgut | Stugil

Our IT Platform

Digital Metamorphosis

ris has been at the forefront of adopting technology and recognises that information technology has become more pervasive than ever before – underpinning and supporting almost every aspect of an organisation. Embarking on this journey, Eris is well poised for a digital metamorphosis embarked with technology - the underlying backbone through which we are entering the next leg of growth.

As we step forward on the growth journey, we are re-architecting and re-platforming the existing applications and looking forward to moving from a monolithic to a micro services and platform based architecture.

Our new office premises have been built on network zoning and network segmentation with central monitoring systems in place. We are also looking forward at adopting a lean data centre where-in we will follow a cloud-first approach.

Initiatives during the year

To overhaul the existing enterprise resource solution, Eris will be adopting SAP S/4HANA – a world class ERP suite which will enable the company to manage business change at speed, manage internal and external resources, and empower a pan-organisation scalable digital core for all business processes.

During the year, Eris completed a smooth end-to-end roll-out of an automated human resource management system - Darwin Box. The comprehensive platform has resulted in several benefits like improving employee engagement and performance management, effortless employee on-boarding and powerful analytics aiding senior management in decision making.

Cyber Security

Critical in today's information centric environment is the subject of information security, whether for reasons of safety, security, legal, ethics or compliance. The management of such information is of paramount importance and Eris recognizes it as an essential element of good organisational practice in today's rapidly evolving world. In order to protect this information, Eris has laid the foundation for a robust Information Security Management System which will enable the company to manage the security of assets which are critical to the organization.

Scaling up the team

Eris is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the company are made aware of the latest working techniques and technologies through workshops, trainings, certifications and discussion sessions for optimum utilization of available resources and to improve operational efficiency.

The year in review witnessed several such levers to innovate, enhance and strengthen business operations, using information technology and digital platforms.

Our People

Committed to People Empowerment

As we celebrate 15 years, it is befitting that we appreciate the efforts of our employees over the years for helping build Eris into what it is today. At Eris, human resource is viewed as a key driver of business growth and has been the prime enabler of our rapid expansion and progress. Our robust people processes that have been the bedrock of our success over the years continue to evolve and stay contemporary. By investing in our people, we build careers and a formidable knowledge pool that helps drive innovation and efficiency.

We are committed to fostering an environment that facilitates employee well-being, safeguards employee rights, promotes growth and continue to invest considerable time and effort in ensuring our people practices are best in the industry.

We have a strong team of 4200+ Erisians working in our offices, manufacturing plant and the field.

4,286	2,555	1,144	273
Employees	Medical Representatives*	Field Managers	Manufacturing

79	26	209
Sales and Marketing	Intellectual Property & Research	Others

**In the Branded Formulation and Trade Generics business*

People Engagement Survey

We emphasise on creating unique employee experiences and strive to create a workplace that results in engagement and job gratification of highest orders.

During the year, we launched a People Engagement Survey that enabled Erisians to share their feedback directly with Senior Management.

The inputs from the survey aided Management to drive policy and process improvements and ultimately create a more rewarding workplace for everyone. To continue engaging with the employees at regular intervals, the survey will be conducted twice a year.

Talent Management

As we evolve, so does our Talent Management processes. This year, we have successfully deployed Darwin-box – a cloud-based human resource management system and on-boarded employees across the organization. This HR system is the fulcrum of our talent management focus – from talent acquisition, performance and compensation management to managing other routine HR functions.

As part of rewarding the finest talent, Eris has introduced and implemented the new Employee Stock Option Plan during the year to cover additional employees that would not only enable the company to attract and motivate them by rewarding long term association but also retain best talent and enable them to develop a sense of ownership within the organization, with a common objective of maximizing shareholder value.

Performance Management

At Eris, effective talent and skill management is quintessential to our growth. Our performance management is a key talent management process that drives a high performance culture and helps create excellence by enabling achievement of organisational goals. Senior Management regularly assesses departmental and organisational performance metrics, identifies gaps, and addresses them promptly. Our annual performance appraisal process is intensively carried out factoring in the inputs of all the relevant stakeholders.

At Eris, our employees play a crucial role in driving sustainability across the company. We deeply seek to create a thriving work environment and endowing our people with right training. It is our endeavour to help our employees leverage their capabilities through development programs. Our human resource team, periodically conducts training programmes where employees are encouraged to bolster their capabilities.

Eris ENGAGE

Launched over two years ago, this digital platform has been successful in bridging the entire field force of Eris on the platform. It enables to keep them conversant of all organizational developments and ensures important announcements are not missed.

e-Aagman

Simplification of our people processes remains a focus for us. We have leveraged technology significantly to optimize the induction process as well. Our web based learning platform, e-Aagman is designed to serve as a program for orientation of new joinees and enable interactive learning. During the year, over 700 employees participated in the program.

Engagement Initiatives

We undertake a wide-ranging suite of employee engagement initiatives including but not limited to organizing sports event, celebrating the founding day of Eris and ensure to celebrate moments of happiness like festive occasions, new-borns in the family.

Our Distribution Network

Leveraging Nation-wide Sales and Distribution Presence

During the year, our strategy to effectively manage our stockist network focused on deepening our presence in existing markets and ensured that crucial medicines were available throughout the country at all times while maintaining highest quality standards and cost efficiency, eliminating any odds of stock-outs.

To enhance our supply chain capabilities, we have hired a Head of Supply Chain whose role entails managing supply planning by inventory optimization, demand planning forecasts and driving the annual distribution strategy while ensuring service levels of the highest order.

Our operations are ably supported by a pan-India distribution network of 22 Sales depots, 2,059 Stockists and more than 5,00,000 retail chemists.

Our team has been instrumental in achieving supply chain optimization. The key drivers of our excellence in supply chain are our high degree of flexibility, speed of execution and reliability.

*Source: Primary Sales

22
SALES DEPOT

2,059
STOCKIST

5,00,000+
RETAIL CHEMISTS

Our Manufacturing Infrastructure

Our cutting-edge manufacturing facility at Guwahati, Assam accounted for 79% of all products sold (by value), up from 74% last year as we continue to manufacture organically developed products as well as most of our acquired products.

79% of revenues from products manufactured at Guwahati in FY 22

280+ products manufactured

State-of-the-art manufacturing facility in Guwahati, Assam

1 Lakh sq ft built-up area

Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption and GST subsidies until FY 2025

WHO GMP guidelines compliant

Capacity Utilization for Prescription Products

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	1440	1130	79%
Capsules	150	92	62%
Sachets	2.4	1.2	50%
Soft Gel Tablets	216	48	22%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	25	10	40%
Capsules	25	18	71%
Sachets	1.2	0.5	39%

**Installed capacity based on two shifts per day*

Expanding Manufacturing Prowess

As we prepare for the road ahead, we recognise that the ability to put a larger number of successful products in the marketplace needs to be complemented with corresponding growth in manufacturing capacities. To this end, we are judiciously investing in our manufacturing capital by setting-up a new green field facility in the state of Gujarat that can address potential demand, support our pipeline of new product introductions, aid in retaining our competitive advantage of in-house manufacturing for preserving optimal control over quality, supply and cost as well as fill gaps in our current manufacturing infrastructure.

The new plant is expected to be operational by the end of CY 22

The commercialisation of the new facility in a phased manner will enhance our product mix and plug portfolio gaps while strengthening revenues.

Environment, Safety and Social Responsibility

Eris strives to adopt best environmental practices and protocols within the paradigm of our operations and create value for all stakeholders whilst growing responsibly and sustainably. During the year, a host of initiatives were undertaken at the manufacturing plant to improve energy efficiencies resulting in savings of ~40,000 units of energy per month. Some of the energy saving initiatives taken during the year are outlined below,

- Optimizing compressed air generation by installing an air reservoir to store and maintain air pressure
- Insulation of hot water tanks to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals

Our manufacturing plant has set-up an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process, designed for the removal of liquid waste from the system. The emphasis of the process is to manage wastewater economically and produce clean water. Treated water from this facility is recycled and used for gardening, cooling tower and other utilities. As an outcome, plant processed an average of ~25,000 litres of effluents per day in the last financial year.

As part of optimum utilization of rain water, we have deployed rain water harvesting system which resulted in harvesting ~75,000 litres of rain water per month.

We continue to build and improve our occupational health and safety management system. Hazards and risk

associated with site activities are identified at the manufacturing location and risk control and mitigation measures are implemented periodically. Specific safety SOPs and protocols are put in-place so that steps on pre-emptive action for safety can be taken on a timely basis. We have not faced any accidents at our manufacturing facility in Guwahati since inception. Some of the key health and safety measures adopted at the plant are:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Imparting periodic training on fire and first-aid by a team of in-house experts
- Celebrate safety week which covers all aspects of safety measures
- Conducting medical check-up for all employees

We endeavour to maintain healthy relationship and engagement with local communities and work with them as partners. In that spirit, we have initiated and adopted social and community welfare undertakings which include a wide spectrum of development activities. The community activities implemented in the vicinity of the manufacturing plant are done in response to the immediate needs of the communities.

Awards & Accolades

"The Innovator"
Digital Transformation Award

Best CFO Award in Medium Enterprises
(Manufacturing Industry Category)

National Best Employer Brand 2018
Eris wins out of 100 brands

Emerging Companies
Excellence Award 2013

Ernst & Young Awards
Mr. Amit Bakshi,
Entrepreneur of the Year 2013

Competitive Strategy
Leadership Award 2013

Strategic Growth Drivers

Expansion of power brands' franchise

- Our business model of building **strong and sustainable brands** has enabled us to significantly **outperform the market**
- There has been a clear shift in prescriber preference towards established brands over the last two years; this continues to work well for us with **8 of our Top-15 mother brands** being **ranked among the Top-5** in their respective categories
- We have curated a **"Full Service"** approach to **Diabetes Management** with a comprehensive range of Oral Anti-diabetics, Insulins, Blood Glucometers, HbA1c Monitors and Continuous Glucose Monitors in our product basket

New product pipeline

- We have an exciting **pipeline of patent expiration** opportunities coming up in the **cardio-metabolic segment** over the next 3-4 years which we are well-positioned to leverage
- We will leverage the market opportunity in human insulin, insulin analogues and GLP1 agonists through our joint venture with MJ Biopharm; in **Q4 FY 22** we launched **Human Insulin** with a dedicated division consisting of **140 MRs**
- New product launches in **Medical Dermatology** and **Cosmetology** through the Oaknet platform
- We have planned **15+** new product launches for FY 23 including **5-6** significant launches; we are expanding our field team by **~ 170** across our cardio-metabolic divisions in this regard

Expansion of physician coverage

- We continue to make good progress in expanding our coverage of **Specialists and Consulting Physicians** in line with our expectations
- We are expanding our field-force by ~170 (120 Reps and 50 Managers)

Therapeutic diversification

- We continue to invest in **diversification opportunities** in high-growth areas like **CNS (Neuropsychiatry), Women's Health and Dermatology;** our CNS and Women's Health franchises are growing significantly ahead of the market

In-licensing and acquisitions

- On the back of **value-accretive deals** (e.g., Strides, Zomelis), we continue to look for **high-return inorganic opportunities** to complement our organic growth initiatives

Our Investors

Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder	As on 31-Mar-22	As on 31-Dec-21	As on 30-Sep-21
	689*	760*	761*
Promoters	52.66%	52.66%	52.68%
UTI Mutual Fund	5.53%	5.44%	5.18%
ChrysCapital (Emerald Investment Limited)	5.50%	5.50%	5.50%
Aditya Birla Sun Life Mutual Fund	1.73%	1.73%	1.75%
Vanguard	1.72%	1.70%	1.69%
Franklin Templeton Mutual Fund	1.35%	1.35%	1.38%
Kotak Mutual Fund	1.15%	1.15%	0.65%
L and T Mutual Fund	0.88%	0.88%	0.90%
Kuwait Investment Authority	0.86%	0.86%	0.86%
Fundsmith Emerging Equities Trust	0.58%	0.58%	1.09%
Steinberg India Fund	0.54%	0.54%	0.54%
Government Pension Fund Global- Norges Bank	0.52%	0.52%	0.52%
Malabar Select Fund	0.45%	0.45%	0.45%
Tata Mutual Fund	0.38%	0.38%	0.38%
Ellipsis Partners LLC	0.36%	0.36%	0.36%
Shinsei UTI JV	0.30%	0.31%	0.30%

STATUTORY REPORTS

Management Discussion and Analysis

Economic Overview

Global

In 2021, a year and a half since the start of the COVID-19 pandemic, the world economy moved towards its most resilient post-recession rebound in 80 years. That said, the global economy stepped into 2022 at a weaker position than projected as the new COVID-19 variant Omicron that spread across countries was said to be more transmissible than the Delta variant albeit with less severe symptoms. As the pandemic raged, the importance of a good health strategy became more crucial than ever. Global availability of testing along with vaccinations has become imperative to lower COVID-19 mutations and further economic growth.

Since the start of the pandemic, supply chains across the spectrum were disrupted with movement restrictions on the ground during the 1st wave of the pandemic coupled with stricter lockdowns in China. This was followed by global ship shortages which continue to be a major supply-chain hurdle. The Ukraine-Russia situation has added to the current supply-chain issues leading to overall higher inflation across the world. The immediate threat to the distribution chain continues with shortages in metals, grain, and natural gas, among others, causing a disproportionate impact on poorer economies around the world and adding to long-term challenges for collective recovery. The current level of inflation is expected to last longer than anticipated and policymakers face a dual challenge of managing inflation and economic growth.

The shift toward goods consumption, particularly in advanced economies overloaded the global supply-chain networks during the pandemic. This problem was compounded by pandemic-related impediments to transportation and staffing, as well as by the inherently fragile nature of just-in-time logistics and lean inventories. The resulting disruption to global trade led to shortages and higher prices for imported consumer goods. The IMF analysis suggests that supply disruptions shaved 0.5–1.0 percentage points off global GDP growth in 2021 while adding 1.0 percentage points to core inflation.

Impact of 2021 Shocks on World Output and Core Inflation
(Percentage points)

Sources: Haver Analytics; and IMF staff calculations.
Note: The figure shows the impact of global supply shocks as identified by the IMF staff global macro model, the Flexible System of Global Models.

With supply-demand imbalances receding over the course of 2022 coupled with better vaccination cover across the globe, IMF forecasts the global economy to grow at 4.4% in 2022, with emerging markets and developing economies growing at 5.0% in 2022.

Real GDP Growth (%) 2012-2025F

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021E	2022F	2023F	2024F	2025F
World	3.5	3.5	3.6	3.5	3.3	3.8	3.6	2.8	–3.3	6.0	4.4	3.5	3.4	3.3
Advanced Economies	1.2	1.4	2.1	2.4	1.8	2.5	2.3	1.6	–4.7	5.1	3.6	1.8	1.6	1.5
Emerging markets & developing economies	5.4	5.1	4.7	4.3	4.5	4.8	4.5	3.6	–2.2	6.7	5.0	4.7	4.6	4.5
India	5.5	6.4	7.4	8.0	8.3	6.8	6.5	4.0	–7.3	10.1	6.9	6.8	6.7	6.6

Sources: World Economic Outlook, International Monetary Fund Estimate, Moody's Outlook, Frost & Sullivan

India

India's GDP contracted by 7.3% in FY 21 – the first in four decades. While economic activity during FY 22 started on a promising note with 20.33% y-o-y GDP growth in Q1 FY 22, it decelerated in the coming quarters with 8.48% y-o-y and 5.4% y-o-y growth in Q2 and Q3 respectively. Slowdown in GDP has been attributed to the deadly 2nd wave of COVID-19. In Q4, the economic activity recovered from a brief spell of moderation in January 2022 caused by the Omicron variant, which had less virulent effects. Effective planning and strategy, along with management of supply-chain logistics and accelerated digitalisation allowed companies to mitigate pandemic risks to some extent. Unlike the first two waves of COVID-19, the overall consumer and business confidence stayed resilient during the third wave on the back of accelerated mass vaccination, with better prospects for the general economic situation, household incomes, and spending.
(Source: WEO, EMIS)

The war crises along with supply-chain bottlenecks will continue to wreak havoc on the domestic commodity as well as energy markets. Being a major importer of oil and other commodities such as coal and liquified natural gas, India cannot evade this turmoil. This has led to a consistent rise in WPI inflation which, in turn, trickled down to the Consumer Price Index (CPI) that rose to 6.07% y-o-y in February 2022 from 5.7% y-o-y in December 2021, increasing consistently from a low of 4.35% y-o-y in September to its highest level since June.
(Source: CEIC)

The Bloomberg Commodity Index has spiked by 12.0% between Feb 28, 2002 and Mar 24, 2022; high commodity prices pose downside risks to India's FY2023 GDP growth outlook, with margin compression set to squeeze value added growth

Source: Bloomberg; ICRA Research

The YoY CPI inflation hardened to an eight-month high of 6.07% in Feb 2022 from 6.01% in Jan 2022; FY2023 CPI inflation projected to average at 5.6%

** Since the detailed data for March-May 2020 is not available, we have not excluded prices for petrol and diesel of vehicles in the calculation of the core-CPI index for the YoY inflation rates in March-May 2021;*
Source: NSO; ICRA Research

High input prices and supply-chain disruptions will continue to act as a hurdle to an already fragile manufacturing recovery and keep private investment lacklustre. Investment slump was one of the leading factors for deceleration in GDP growth over the course of FY 22.

India: Contributions to GDP growth

Source: Oxford Economics

Cyclical tailwinds such as pent-up demand, favourable foreign demand, and stronger government spending can potentially boost growth momentum. Even though India is expected to remain one of the fastest-growing emerging markets (EM) in FY 23E (based on significant statistical carryover), the output gap may stay negative throughout the year. Better vaccination rates and improved port activity are some of the green shoots of the recovery.

As on March 29, 2022, India has administered 792.0 million second doses (above 18 years), which is ~85% of the adult population

**Till March 29, 2022; Note: Adult population assumed to be 935 million, based on news reports of 930-940 million adults being estimated in the GoI's affidavit submitted to the Supreme Court; Adults form around two-thirds of India's total population. Source: CEIC; ICRA Research*

Cargo handled at major ports was higher than the pre-Covid level for the fifth consecutive month in Feb 2022, albeit by a modest 2.0%; in Apr-Feb FY2022, ports cargo traffic was a marginal 1.2% higher than the pre-Covid level, even though it contracted for the fourth consecutive contraction in Feb 2022 (-4.5%), on a YoY basis

Source: Indian Ports Association (IPA); ICRA Research

India is witnessing a surge in overall consumer confidence and business optimism as the scale of vaccination expands. The outlook is progressively improving despite headwinds from global developments. Inflation remains a concern and it is buffeted by the build-up of cost-push pressures. Strong supply-side measures to contain food and energy prices are required to moderate these risks.

Since the duration of Russia-Ukraine conflict continues to be uncertain, India Ratings (Ind-Ra) has created two scenarios with respect to its FY 23 economic outlook basis certain assumptions. The first scenario assumes crude oil price to be elevated for three months, while the second scenario sees this assumption extended to six months, both with a half cost pass-through into the domestic economy. Ind-Ra further expects GDP to grow 7.2% y-o-y in Scenario 1 and 7.0% y-o-y in Scenario 2 in FY 23, compared to its earlier forecast of 7.6%.

(Source: Reports - India Ratings, ICRA, EY research)

Pharmaceutical Industry

Global

The Global Pharmaceutical manufacturing market is expected to grow at an annual rate of 11.34% from 2021 to 2028. With the introduction of cost-effective, new technology and efficient manufacturing methods, the pharmaceutical landscape has experienced significant upheaval. The market growth has also seen a favourable impact due to an increased investment flow in this sector. The consistent progress in personalized medicine opened various alternatives for treating ailments while helping build patient-centric treatment models.

India, China, and Asia-Pacific will dominate the Branded Generics Market which is expected to grow at a CAGR of 8% according to FMI's recent analysis. Cardiovascular illnesses and diabetes account for more than 20% of branded generics sales globally, indicating that the chronic disease management therapeutics and device technologies should grow from $391 bn (2021) to $553 bn by 2026, at a CAGR of 7.1%.

(Source: Frost and Sullivan, EY Research)

India

India's pharmaceuticals and healthcare sector has expanded considerably since the government pursued economic liberalisation in 1991. Liberalisation created India's powerhouse generic drugs producers responsible for supplying a significant proportion of the world's generic drugs. The Indian Pharmaceutical Industry is currently ranked 3rd in the world in terms of volume and 14th in terms of value. The lower market share in terms of value can be attributed to the predominance of generic medicines (accounting for about 70% of the industry's revenues) which command lower prices. The Indian Government's policy reforms and initiatives have further augured well with the pharmaceutical and medical devices industries.

The Government has implemented enterprising initiatives and schemes such as Make in India, Aatmanirbhar Bharat

Abhiyan and the Production-Linked Incentive (PLI) Scheme with a budget of INR 6,940 crores over the next 8 years. The Ayushman Bharat Yojana (National Protection Scheme) which provides coverage of INR 5 lakh per family per year for secondary and tertiary care hospitalisation with the objective of improving the competitiveness of domestic manufacturing is one such reform.

According to the Economic Survey 2021, over the next decade, the domestic market is expected to grow 3x. The Indian domestic pharmaceutical market is likely to reach US$ 65 bn by 2024 and expand further to US$ 120-130 bn by 2030, whereas The Indian Medical Devices market is expected to reach US$ 50 bn and grow at a CAGR of 37% from 2020–2025.

Indian Pharmaceutical Market (US$ billion)

Source: IBEF

The pharma market is primarily divided into two broad therapeutic areas: acute (which includes anti-infectives, pain/analgesics etc.) and chronic therapies (that encompasses cardiac, anti-diabetic etc.). According to the AWACS Data, Chronic therapies constitute 33% of market share while Sub-Chronic for 20% and the Acute Segment for 47% of the market share. The acute therapy segment reported sales growth of 19.8 % YoY, whereas chronic and sub-chronic therapy segments reported growth at 9.2% and 12%, respectively in FY 22.

Private expenditure to drive the Healthcare industry

In 2020, India's healthcare spending reached a value of INR 8,747.6 bn, with per capita expenditure on healthcare reaching a value of US$ 85.5. By 2025, the health expenditure is forecasted to reach a value of INR 17,451.1 bn, representing a compounded annual growth rate of 14.8%. Long-term healthcare spending is expected to reach INR 36,570.5 bn in 2030, representing 7.4% of the GDP.

Healthcare Expenditure Forecast - 2016 to 2030

Source: Fitch Solution

Government expenditure on healthcare reached INR 2,469.0 bn (US$ 33.3 bn) in 2020, accounting for 28.2% of total health spending. By 2025, public healthcare spending will reach INR 4,694.2 bn (US$ 55.9 bn).

The healthcare industry has welcomed the increased allocation by the government in the Union Budget for the sector. India witnessed a boost in its healthcare spending by 135.0% and lifted caps on foreign investment in its vast insurance market. INR 2.2 trn will be allocated to improve public health systems and fund a huge vaccination drive to immunise 1.3bn people. This also includes a new federal scheme with an outlay of INR 641.0 bn over six years to develop the country's capacity for primary, secondary, and tertiary care as well as strengthen national institutions and create new ones to detect and cure new diseases. That said, the government's investment towards healthcare expenditure is expected to remain limited.

Private expenditure on healthcare reached INR 6,278.6 bn in 2020, accounting for 71.8% of total health spending. By 2025, private healthcare spending is expected to double to INR 12,756.9 bn (US$ 151.9 bn).

Overall private expenditure will continue to drive the growth of the healthcare industry supported by government expenditure to improve accessibility and strengthen India's healthcare infrastructure.
(Source: FITCH, EY Research)

The Indian Prescription Medicine Market

India's prescription medicine market is expected to continue its dominance in pharmaceutical expenditure

during this decade. An existing and growing chronic disease burden coupled with a shift from self-medication to greater use of the healthcare system as accessibility increases will drive the demand. Rapid population growth and a gradually ageing population represent a huge potential for pharmaceutical firms to expand, with the increased emergence of diabetes, cancer, and cardiovascular diseases driving the growth of higher value prescription medicines.

The prescription drug expenditure in India reached a value of INR 1,825.1 bn. By 2025, the sub-sector is expected to grow to INR 3,135.7 bn - experiencing a compound annual growth rate of 11.4%. Over the 10-year forecast period, the prescription drug market will be valued at INR 5,106.8 bn by 2030.
(Source: FITCH, EY research)

Prescription Drug Market Forecast - 2016 to 2030

Source: FITCH, EY research

Receding Demographic Dividend

The median age of India's population in 2020 was 28.4 years. The country's favourable demographics provide a tailwind for continued economic growth. India's dependency ratio, the proportion of below 15-year-olds and above 65-year-olds in the population has been falling from 52.5% in 2014 to 48.7% in 2020. However, the window of opportunity for India to capitalise on its demographic dividend is narrowing. India's population is ageing rapidly. The median age of the Indian population is expected to hit 30.0 years in 2025, the threshold after which India can be considered an ageing society.

India is now additionally faced with a dual burden of disease. While communicable diseases still account for a significant proportion of the disease burden, a rising morbidity and mortality cost can now be attributed to Non-Communicable Diseases (NCDs). India suffers from a severe NCD burden, standing on the brink of a cardiac disease crisis caused by unhealthy diets, hypertension, air pollution, hypercholesterolemia, and tobacco usage. Notably, more than two-thirds of the Indians suffering from NCDs fall in the 26 to 59-year-old age group, implying a potentially heavy burden on the healthcare system, given that their condition could be long-lasting.

Top 10 Causes of Death in India, 2019

Top 10 Risk Factor for Death and Disability in India,* 2019

1. Malnutrition
2. Air Pollution
3. High Blood Pressure
4. Tobacco
5. High Fasting Plasma Glucose
6. Dietary Risks
7. High Body Mass Index
8. Water, Sanitation and Hygiene
9. High LDL
10. Alcohol Use

** Percentage change compared to 2009*
Source: Institute for Health Metrics and Evalution (IHME)

INDIA PHARMA & HEALTHCARE SECTOR 2022/2023
AN EMIS Insights Industry Report

Over the years, there has been a substantial change in the disease profile of Indians. The share of communicable, maternal, neonatal, and nutritional diseases for death decreased to 27.5% in 2016 from 53.6% in 1990 and that of non-communicable diseases increased to 61.8% in 2016 from 37.9% in 1990, representing a transition or shift in the disease profile of the country's population.

The receding demographic dividend coupled with lifestyle changes are major reasons for rise in NCDs and specifically lifestyle related Cardiometabolic diseases such as Diabetes, Hypertension, etc.

(Source: EMIS, Investment Opportunities in India's Healthcare Sector – NITI Aayog, EY research)

Rising Burden of NCDs

Non-communicable diseases (NCDs), also known as lifelong diseases, have a long duration and commonly slow progression. The most important NCDs are heart diseases, cancers, chronic respiratory diseases, and diabetes. Each year, 15 mn people die from NCDs between the ages of 30 and 69 years; over 80% of these "premature" deaths occur in low- and middle-income countries. NCDs pose a major public health concern in India, amounting to 62% of the total burden of foregone disability-adjusted life years and 53% of total deaths. Out-of-pocket expenditure associated with the acute and long-term effects of NCDs is high, resulting in catastrophic health expenditure for the households.

According to a macroeconomic analysis, it is estimated that each 10% increase in NCDs is associated with a 0.5% lower rate of annual economic growth. The income loss due to hypertension is the highest, followed by diabetes and cardiovascular diseases. The macroeconomic impact of NCDs is profound as they cause loss of productivity and decrease in gross domestic product.

Tobacco use, unhealthy diet, insufficient physical activity, and harmful use of alcohol are the four major risk factors leading to NCDs. These risk factors, leading to diabetes, hypertension, and dyslipidaemia, are an important feature leading to cardiovascular diseases, responsible for nearly 30% of deaths worldwide.

(Source: Pubmed: A review on Noncommunicable Diseases (NCDs) burden, its socio-economic impact and the strategies for prevention and control of NCDs in India; International Journal of Human and Health Sciences, EY research)

Eris At a Glance – Who we are

Eris Lifesciences Ltd is the only publicly listed Indian Pharmaceutical company with a pure-play domestic branded formulations business model. Ranked 22 in the IPM, Eris has established an esteemed market presence in its core cardio-metabolic franchise in just 15 years since inception

We began our journey 15 years ago in 2007 with the vision to make a meaningful impact in the management of chronic lifestyle related diseases. The thesis of our existence has remained unchanged since then – to channel the advantages of the latest scientific developments to aid our physicians and patients with better disease management options.

We are India's only domestic listed pharma company with a business model focused entirely on the Indian branded formulation market. Our high degree of conviction in the importance of chronic lifestyle related therapy management has led to our business being highly focused – 93% of our business comes from chronic and sub-chronic therapies. Our business is pivoted around specialist and super specialist doctors as well as high end consulting physicians and as a result of our science led market engagement programs, we enjoy high prescription ranks with these physicians. These market engagement programs take the form of 3 activities - Dissemination of latest scientific knowledge through CMEs and Webinars, our unique Patient Care Initiatives (PCI) and Generation of actionable scientific evidence through India-centric studies.

PCIs are the focal point of our efforts towards creating a science led, transparent and symbiotic relationship with our customers. Through our PCI platform, we bring cutting edge disease diagnosis and monitoring technologies to patients. The data driven insights from these interventions are immensely useful to our physicians in managing the health outcomes of their patients. Over the years, these initiatives have helped myriads of patients take charge of their health outcomes and we remain passionate to take it to even larger scales going forward. The insights we derived over the years from these initiatives eventually paved the way for us to

deliberate on taking the lead in creating India centric studies – to overcome the limitation in data centric understanding of the Indian populations' pharmacological distinctiveness. In FY 21 we published our first such study – The India Heart Study, the only study of its kind on hypertension based on the Indian population. On the back of IHS's sounding success, this year we concluded the India Diabetes Study, the results of which were published in April 2022.

Diabetes care is our flagship therapy contributing to 32% of our FY 22 revenue and we enjoy esteemed ranks in the Oral Diabetes franchise. We rank No 5 in our covered Oral Diabetes market in terms of revenue and No 3 in terms of prescription share. To further enhance our presence in diabetes and to leverage on our high ranks, this year we extended our presence to include Human Insulin. Over the span of the next 3-4 years, we plan to extend our diabetes presence further with the launch of analogue insulins and GLP 1 agonists. Cardiac care is our second largest therapy followed by VMN, CNS, Gastro and Women's health.

We have a fully integrated business model with our manufacturing facility in Guwahati contributing to 79% of the products sold during FY 22. Our forthcoming new manufacturing facility in Gujarat, which is expected to be operational by end of CY 22, will further augment our manufacturing capabilities. Our distribution network is present pan India with over 2,000 stockists and 5,00,000+ chemists. Over 4,200 Erisians work in our offices in Ahmedabad and Mumbai, at our manufacturing facility and on the field across the nation.

We clocked in consolidated operating revenue of INR 13,470 mn in FY 22, registering a growth of 5x in the 10 years since FY 12. Our net profits have grown 11x in the last 10 years to INR 4,058 mn in FY 22. We have maintained strict discipline in our capital allocation strategy which has led to our ROICs being in excess of 30% for the last 13 years. 15 years into our existence, the fundamental pillars of our business remain intact – chronic and specialty focused domestic business with a low NLEM exposure, leading brands in core therapies, high margins and return metrics, industry leading cash generation and a strong net debt free balance sheet. We look forward to harness the power of these pillars as we lean into the next leg of our growth journey.

Our Business

Eris derives all of its standalone revenue from the domestic branded formulations market. Chronic and sub-chronic therapies account for 93% of our business (vs 53% for IPM).

Source: AWACS MAT Mar 22

Our Top Mother Brands

We have a focused portfolio with our Top 15 mother brands accounting for nearly 75% of our revenue

Source: AWACS MAT Mar 22

Our Prescription Rankings

Continued High Prescription Ranks Among Super-Specialists

Our relentless efforts in deepening our coverage of specialists and consulting physicians has resulted in high ranks among doctor specialties.

Source: SMSRC MAT Feb'22 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists

Our Strategic Business Units

Cluster 1 — Eris, ASPIRE
Diabetes

Cluster 2 — Phoenix, Victus
Diabetes

Cluster 3 — Inspira, ADURA
CVD

Cluster 4 — Altiza, Eterna
CNS

Cluster 5 — Nikkos, Montana, Filix
Women's Health & Wellness

BluTeam
Insulin

*The Insulin division is placed in the subsidiary

Our Therapy Areas

Diabetes Care

Oral Diabetes Care

Oral diabetes care is our flagship therapy contributing to 32% of FY 22 revenue. In our covered market of ~INR 10,000 crore, we rank #5^ in terms of revenue and #3 as per Rx ranks.
(Source: SMSRC MAT Feb'22) ^ Rank in the represented market

Over the years we have created a strong full-service presence across all the OHA* segments – Sulphonylureas, DPP4 Inhibitors and SGLT 2 Inhibitors. Our successful legacy diabetes brands enjoy high ranks in highly competitive segments - Glimisave is Rank #6, Cyblex is Rank #5 and Tendia Rank #4. The established presence in diabetes thus paved the way for our 2 key new launches in Oral Diabetes in the last 2 years – Zomelis and Gluxit in the newer generation OHA* segments of DPP4 and SGLT2 inhibitors.

In FY 22, while the IPM's Oral Diabetes Care segment grew at 6.3%, Eris outgrew it with a strong yoy growth rate of 13.9%.
**Orally Administered Anti-Hyperglycemic Agents*

1.3x timesfaster growth than market

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 5,354 mn

Source: AWACS MAT Mar'22

Insulin

FY 22 marks Eris's entry in the INR 3,500 crore Insulin market with the launch of human insulin through our subsidiary Eris MJ Biopharm Ltd, which houses our joint venture partnership with MJ Biopharm, our strategic partner in the insulin business. In Q4 FY 22, we launched the first product in this bucket, Xsulin our launch in the regular and premix human insulin segment, in the forms of vials and cartridges. We expect meaningful growth in this segment for Eris in the years ahead as Xsulin scales up and new products like Glargine, Lispro, Aspart and Liraglutide are added to the portfolio.

Cardiac Care

Cardiac Care is our second largest therapy area, contributing 28% of our business. Over FY 12 to FY 22, our Cardiac Care franchise has grown 1.4x faster than the market at a CAGR of 16%.

Eris is ranked #4 in terms of prescription rank among Cardiologists and #9^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, Olmin, LNBloc, Crevast and Atorsave – in the Cardiac segment.

(Source: SMSRC MAT Feb'22) ^ Rank in the represented market

1.4x times faster growth than market

Source: AWACS MAT Mar'22

**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 4,598 mn

Source: AWACS MAT Mar'22

Vitamins, Minerals and Nutrients

Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 3,215 mn or 19% of our business. Over FY 12 to FY 22, our VMN franchise has grown in-line with the market at a CAGR of 10.5%.

In FY 22, while the VMN market grew at 12.2%, Eris' VMN franchise grew at 8.6%.

Performed in-line with the market

Source: AWACS MAT Mar'22

**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 3,215 mn

Source: AWACS MAT Mar'22

NEW LAUNCHES IN FY 22

- Renerve Total
- Remylin Dx
- Zac Day
- Ginkocer Forte
- Tayo Raga

Women's Health

Our women's health segment contributed INR 605 mn or 4% of our business. Over the last decade, Eris has outperformed the women's health market by 2.2x by growing at a CAGR of 17%.

In FY 22, women's health market grew by 13.4% yoy. Eris outperformed the market by growing at 16.4%

2.2x times faster growth than market

CAGR over FY 12 - FY 22

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 605 mn

FY 22 YoY growth rate

Source: AWACS MAT Mar'22

NEW LAUNCH IN FY 22

- Drolute

Central Nervous System (CNS)

Our fourth largest therapy area, CNS contributed INR 1,297 mn or 8% of our business.

In FY 22, while CNS market grew by 8.7% yoy, Eris's CNS segment growth at 33.2% was nearly 4 times the market rate

FY 22 Revenue = INR 1,297 mn

FY 22 YoY growth rate

Source: AWACS MAT Mar'22

Gastro Intestinal (GI)

The largest therapy area in our acute franchise, GI contributed to INR 756 mn or 5% of our business.

Over FY 12 to FY 22, our GI franchise has grown at a CAGR of 1%. In FY 22, while the GI market grew at 17.3%, Eris under-performed the market by growing at 2.9%.

Under-performed the market

CAGR over FY 12 - FY 22

Source: AWACS MAT Mar'22
**data not adjusted for stockist panel changes during the 10 year period*

FY 22 Revenue = INR 756 mn

Source: AWACS MAT Mar'22

Our IT Platform
Digital Metamorphosis

Eris has been at the forefront of adopting technology and recognises that information technology has become more pervasive than ever before – underpinning and supporting almost every aspect of an organisation. Embarking on this journey, Eris is well poised for a digital metamorphosis embarked with technology - the underlying backbone through which we are entering the next leg of growth.

As we step forward on the growth journey, we are re-architecting and re-platforming the existing applications and looking forward to moving from a monolithic to a micro services and platform based architecture.

Our new office premises have been built on network zoning and network segmentation with central monitoring systems in place. We are also looking forward at adopting a lean data centre where-in we will follow a cloud-first kind of approach.

Initiatives during the year

To overhaul the existing enterprise resource solution, Eris will be adopting SAP S/4HANA – a world class ERP suite which will enable the company to manage business change at speed, manage internal and external resources, and empower a pan-organisation scalable digital core for all business processes.

During the year, Eris completed a smooth end-to-end roll-out of an automated human resource management system - Darwin Box. The comprehensive platform has resulted in several benefits like improving employee engagement and performance management, effortless employee on-boarding and powerful analytics aiding senior management in decision making.

Cyber Security

Critical in today's information centric environment is the subject of information security, whether for reasons of safety, security, legal, ethics or compliance. The management of such information is of paramount importance and Eris recognizes it as an essential element of good organisational practice in today's rapidly evolving world. In order to protect this information, Eris has laid the foundation for a robust Information Security Management System which will enable the company to manage the security of assets which are critical to the organization.

Scaling up the team

Eris is conscious of implementation of latest technologies in key working areas. Technology is ever-changing and employees of the company are made aware of the latest working techniques and technologies through workshops, trainings, certifications and discussion sessions for optimum utilization of available resources and to improve operational efficiency.

The year in review witnessed several such levers to innovate, enhance and strengthen business operations, using information technology and digital platforms.

Our People
Committed to People Empowerment

As we celebrate 15 years, it is befitting that we appreciate the efforts of our employees over the years for helping build Eris into what it is today. At Eris, human resource is viewed as a key driver of business growth and has been the prime enabler of our rapid expansion and progress. Our robust people processes that have been the bedrock of our success over the years continue to evolve and stay contemporary. By investing in our people, we build

careers and a formidable knowledge pool that helps drive innovation and efficiency.

We are committed to fostering an environment that facilitates employee well-being, safeguards employee rights, promotes growth and continue to invest considerable time and effort in ensuring our people practices are best in the industry.

We have a strong team of 4200+ Erisians working in our offices, manufacturing plant and the field.

- 4,286 Employees
- 2,555 Medical Representatives*
- 1,144 Field Managers
- 273 Manufacturing
- 79 Sales and Marketing
- 26 Intellectual Property & Research
- 209 Others

*(In the Branded Formulation and Trade Generics business)

People Engagement Survey

We emphasise on creating unique employee experiences and strive to create a workplace that results in engagement and job gratification of highest orders.

During the year, we launched a People Engagement Survey that enabled Erisians to share their feedback directly with Senior Management. The inputs from the survey aided Management to drive policy and process improvements and ultimately create a more rewarding workplace for everyone. To continue engaging with the employees at regular intervals, the survey will be conducted twice a year.

Talent Management

As we evolve, so does our Talent Management processes. This year, we have successfully deployed Darwin-box –a cloud-based human resource management system and on-boarded employees across the organization. This HR system is the fulcrum of our talent management focus – from talent acquisition, performance and compensation management to managing other routine HR functions.

As part of rewarding the finest talent, Eris has introduced and implemented the new Employee Stock Option Plan during the year to cover additional employees that would not only enable the company to attract and motivate them by rewarding long term association but also retain best talent and enable them to develop a sense of ownership within the organization, with a common objective of maximizing shareholder value.

Performance Management

At Eris, effective talent and skill management is quintessential to our growth. Our performance management is a key talent management process that drives a high performance culture and helps create excellence by enabling achievement of organisational goals. Senior Management regularly assesses departmental and organisational performance metrics, identifies gaps, and addresses them promptly. Our annual performance appraisal process is intensively carried out factoring in the inputs of all the relevant stakeholders.

At Eris, our employees play a crucial role in driving sustainability across the company. We deeply seek to create a thriving work environment and endowing our people with right training. It is our endeavour to help our employees leverage their capabilities through development programs. Our human resource team, periodically conducts training programmes where employees are encouraged to bolster their capabilities.

Eris ENGAGE

Launched over two years ago, this digital platform has been successful in bridging the entire field force of Eris on the platform. It enables to keep them conversant of all organizational developments and ensures important announcements are not missed.

e-Aagman

Simplification of our people processes remains a focus for us. We have leveraged technology significantly to optimize the induction process as well. Our web based

learning platform, e-Aagman is designed to serve as a program for orientation of new joinees and enable interactive learning. During the year, over 700 employees participated in the program.

Engagement Initiatives

We undertake a wide-ranging suite of employee engagement initiatives including but not limited to organizing sports event, celebrating the founding day of Eris and ensure to celebrate moments of happiness like festive occasions, new-borns in the family

Our Distribution Network

Leveraging Nation-wide Sales and Distribution Presence

During the year, our strategy to effectively manage our stockist network focused on deepening our presence in existing markets and ensured that crucial medicines were available throughout the country at all times while maintaining highest quality standards and cost efficiency, eliminating any odds of stock-outs.

To enhance our supply chain capabilities, we have hired a Head of Supply Chain whose role entails managing supply planning by inventory optimization, demand planning forecasts and driving the annual distribution strategy while ensuring service levels of the highest order.

Our operations are ably supported by a pan-India distribution network of 22 Sales depots, 2059 Stockists and more than 500,000 retail chemists.

Our team has been instrumental in achieving supply chain optimization. The key drivers of our excellence in supply chain are our high degree of flexibility, speed of execution and reliability.

*Source: Primary Sales

22	SALES DEPOT
2,059	STOCKIST
5,00,000+	RETAIL CHEMISTS

Our Manufacturing Infrastructure

Our cutting-edge manufacturing facility at Guwahati, Assam accounted for 79% of all products sold (by value), up from 74% last year as we continue to manufacture organically developed products as well as most of our acquired products.

79% of revenues from products manufactured at Guwahati in FY 22

280+ products manufactured

State-of-the-art manufacturing facility in Guwahati, Assam

1 Lakh sq ft built-up area

Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption and GST subsidies until FY 2025

WHO GMP guidelines compliant

Capacity Utilization for Prescription Products

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	1440	1130	79%
Capsules	150	92	62%
Sachets	2.4	1.2	50%
Soft Gel Tablets	216	48	22%

Capacity Utilization
for Supplements and Nutraceuticals

Products	Capacity (in mn units)*	Output (in mn units)	Capacity Utilisation
Tablets	25	10	40%
Capsules	25	18	71%
Sachets	1.2	0.5	39%

*Installed capacity based on two shifts per day

Expanding Manufacturing Prowess

As we prepare for the road ahead, we recognise that the ability to put a larger number of successful products in the marketplace needs to be complemented with corresponding growth in manufacturing capacities. To this end, we are judiciously investing in our manufacturing capital by setting-up a new green field facility in the state of Gujarat that can address potential demand, support our pipeline of new product introductions, aid in retaining our competitive advantage of in-house manufacturing for preserving optimal control over quality, supply and cost as well as fill gaps in our current manufacturing infrastructure.

The new plant is expected to be operational by the end of CY 22

The commercialisation of the new facility in a phased manner will enhance our product mix and plug portfolio gaps while strengthening revenues.

Environment, Safety and Social Responsibility

Eris strives to adopt best environmental practices and protocols within the paradigm of our operations and create value for all stakeholders whilst growing responsibly and sustainably. During the year, a host of initiatives were undertaken at the manufacturing plant to improve energy efficiencies resulting in savings of ~40,000 units of energy per month. Some of the energy saving initiatives taken during the year are outlined below,

- Optmising compressed air generation by installing an air reservoir to store and maintain air pressure
- Insulation of hot water tanks to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals

Our manufacturing plant has set-up an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process, designed for the removal of liquid waste from the system. The emphasis of the process is to manage wastewater economically and produce clean water. Treated water from this facility is recycled and used for gardening, cooling tower and other utilities. As an outcome, plant processed an average of ~25,000 litres of effluents per day in the last financial year.

As part of optimum utilization of rain water, we have deployed rain water harvesting system which resulted in harvesting ~75,000 litres of rain water per month.

We continue to build and improve our occupational health and safety management system. Hazards and risk associated with site activities are identified at the manufacturing location and risk control and mitigation measures are implemented periodically. Specific safety SOPs and protocols are put in-place so that steps on pre-emptive action for safety can be taken on a timely basis. We have not faced any accidents at our manufacturing facility in Guwahati since inception. Some of the key health and safety measures adopted at the plant are:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Imparting periodic training on fire and first-aid by a team of in-house experts
- Celebrate safety week which covers all aspects of safety measures
- Conducting medical check-up for all employees

We endeavour to maintain healthy relationship and engagement with local communities and work with them as partners. In that spirit, we have initiated and adopted social and community welfare undertakings which include a wide spectrum of development activities. The community activities implemented in the vicinity of the manufacturing plant are done in response to the immediate needs of the communities.

Financial Review

Financial Highlights

Summary Consolidated Income Statement

Particulars (INR million)	FY 21	FY 22	Growth %
Revenue from Operations	12,119	13,470	11.2%
Gross Profit	9,736	10,885	11.8%
EBITDA	4,306	4,850	12.6%
EBIT	3,876	4,203	8.4%
Profit Before Tax	3,945	4,422	12.1%
Profit After Tax	3,551	4,058	14.3%
Earnings per share (INR)	26.16	29.89	14.3%

Summary Standalone Income statement

Particulars (INR million)	FY 21	FY 22	Growth %
Revenue from Operations	11,088	12,157	9.6%
Gross Profit	9,103	10,161	11.6%
EBITDA	4,173	4,840	16.0%
EBIT	3,797	4,325	13.9%
Profit Before Tax	3,889	4,585	17.9%
Profit After Tax	3,506	4,172	19.0%

Revenue from Operations:

For the year under review, the Company's consolidated Revenue from Operations increased by 11.2% to INR 13,470 mn from INR 12,119 mn in FY 21.

The growth in the standalone operations, which represent the branded formulation business of Eris, is a testimony of our strong and consistent focus on building resilient brands in the chronic and sub chronic therapies. The AIOCD AWACS analysis shows that Eris has grown in-line with the IPM and covered market.

As per AWACS, our cardio-metabolic segment (which contributes 60% to our revenue), grew 16% yoy in FY 22, outperforming its covered market which grew by 7.6% yoy. The Vitamins, Minerals and Nutrients (VMN) segment (19% of our revenue) grew by 8.6% yoy, underperforming its covered market which grew by 13.6% yoy. Our Top-15 mother brands, which contribute nearly 75% of our revenue, grew by 11.7% yoy. 9 out of these Top 15 brands outgrew their markets.

Gross Profit: The standalone gross margin (branded formulations) increased from 82.1% in FY 21 to 83.6% in FY 22 owing to better product mix and increased in-house sourcing from Guwahati facility.

Employee Expenses: Our employee expenses as a ratio of operating revenues remained in line with the previous year as we continue to reap benefits of people investments made in earlier years. We realised marginal productivity gains in our standalone operations (branded formulations business) as the YPM (Yield per Man per Month) for FY 22 increased to INR 5 lakh per month, up from INR 4.5 lakh per month in FY 21.

Other Expenses: Standalone other expenses as a percentage of revenue witnessed a marginal reduction of 30 bps during the year.

Earnings before Depreciation, Amortisation, Interest and Taxes (EBITDA): As a result of the said factors, the standalone EBIDTA margin increased to 39.8% in FY 22 from 37.6% in FY21 and the consolidated EBIDTA margin increased to 36.0% in FY 22 from 35.5% in FY 21. We continue to remain among the highest EBIDTA-margin companies in our industry.

Profit Before Tax (PBT): Consolidated PBT grew by 12.1% to INR 4,422 mn from INR 3,945 mn in FY 21.

Tax Expenses: Our effective tax rate declined slightly to 8.2% in FY 22 from 10.0% in FY 21 as we continue to enjoy tax exemption at our Guwahati manufacturing facility which catered to 79% of our standalone revenue.

Profit After Tax (PAT): Consolidated Profit after Tax for the year at INR 4,058 mn witnessed a 14.3% yoy growth and standalone Profit after Tax for the year at INR 4,172 mn witnessed a 19% growth.

Cashflows: We continue to remain among the highest cash-flow generating businesses in our industry. Operating cashflow (OCF) to EBITDA ratio in FY22 stood at 78%.

Working Capital: Our core working capital (inventory, debtors and payables) in the standalone business stood at 38 days of operating revenue in FY 22. Our Debtor turnover days in the standalone operations increased from 37 days of operating revenue in FY 21 to 41 days of operating revenue in FY 21. We continue to make efforts to optimise our working capital requirements as we move forward.

Key Financial Ratios – Consolidated

Ratio	FY 21	FY 22	Variance
Profitability Margin ratios			
Gross Margin	80.3%	80.8%	47 bps
EBITDA Margin	35.5%	36.0%	47 bps
EBIT Margin	32.0%	31.2%	(79) bps
PAT Margin	29.3%	30.1%	82 bps
Return ratio			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	33.5%	33.9%	37 bps
Return on net worth (RoE) (ex treasury investments and cash & cash equivalents)	30.7%	33.4%	264 bps
Working capital ratios			
Net Working Capital days	51	58	13.1%
Debtors days	42	44	3.1%
Inventory days	28	32	12.3%
Gearing ratios			
Interest coverage ratio	215	101	(52.9%)
Debt/Equity ratio	0.2	0.2	16.4%
Liquidity ratios			
Current ratio	2.8	3.1	12.3%
Current Assets	4,670	6,273	34.3%
Current Liabilities	1,669	1,996	19.6%

Key Financial Ratios – Standalone

Ratio	FY 21	FY 22	Variance
Profitability Margin ratios			
Gross Margin	82.1%	83.6%	148 bps
EBITDA Margin	37.6%	39.8%	218 bps
EBIT Margin	34.2%	35.6%	134 bps
PAT Margin	31.6%	34.3%	270 bps
Return ratio			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	41.2%	44.2%	293 bps
Working capital ratios			
Net Working Capital days	51	62	21.5%
Debtors days	37	41	10.3%
Inventory days	21	25	19.3%
Gearing ratios			
Interest coverage ratio	488	145	(70.4%)
Debt/Equity ratio	0.1	0.1	6.2%
Liquidity ratios			
Current ratio	2.9	3.5	19.0%
Current Assets	4,236	5,800	36.9%
Current Liabilities	1,445	1,662	15.1%

Internal Finance Controls

The internal financial controls (IFC) framework institutionalised in Eris Lifesciences has been evaluated in-depth for its adequacy and operating effectiveness, wherein the company has covered financial reporting controls, operating controls, compliance related controls and also Information Technology (IT) controls, comprising of IT general controls (ITGC) and application level controls. The company has aligned IFC framework in line with the requirements of Companies Act 2013, on the lines of the globally accepted risk-based framework.

The management is committed to ensure an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Risk and Risk Mitigation

The company has a Risk Management Committee of the board which is entrusted with the responsibility of overseeing various strategic, operational, compliance and financial risks the organisation faces. The Risk Management Committee reviews and addresses the risks on periodic basis.

The company has a robust risk management framework to identify, monitor, mitigate and minimise risks. The company is continuously monitoring and adapting the risk management framework to address the new challenges raised by the global pandemic of Covid19 and Global Supply Chain uncertainties. The internal auditors carry out a comprehensive risk-based audit which is reviewed by the Risk Management Committee to strengthen the risk mitigations.

The company defines and addresses risks majorly in following categories:

Strategic Risks are uncertainties impacting strategic goals of the Company and these risks arise due to key decisions taken by the management with respect to new markets, product & process development, resources, business growth & revenue model, M&A, industry changes, investment model, natural disasters, etc. which can impact business objectives.

Operational Risks are attributable to the efficient and effective utilization of resources. It covers risks related to gaps in existing processes which could make the function/ process weak and vulnerable to exploitation, which could have an adverse impact on the business. The gaps could be related to production capacities, quality assurance, customer demands, material availability, human safety, etc.

Compliance risks arise out of non-compliance with applicable laws, regulations, standards and policies which could impact the Company's reputation and business.

Financial risks include uncertainties and untapped opportunities in effective and efficient utilization of financial resources as well as uncertainties in currency fluctuations, liquidity & funding, capital management and credit risk. These risks could have an impact on the Company's financial statements and the transmission of accurate financial information to stakeholders.

Economic and Political Risks are the risks impacted by the various macro-economic factors and economic developments which have an adverse effect not only on the industry, but also the company as a whole. Any change in Government or a change in the economic and deregulation policies could adversely affect the economic conditions prevalent in the areas in which the company operates. These factors could depress economic activities and restrict its access to capital, which could have an adverse effect on its operations.

Regulatory Risks: The industry is subject to extensive regulations and any failure to comply with the applicable regulations prescribed by the central, state governments and regulatory agencies or failure to obtain or renew any licences and permits, could impact our business. The company maintains a strict vigil on the quality standards through a robust quality assurance framework. Regular monitoring of all the products, manufacturing and supply

chain processes, enable the company to maintain high quality standards on one hand, while securing conformity with regulatory norms on the other. The Risk Committee of the Company reviews the regulatory changes and identifies the potential new risks and its impact and plans the remediation plan.

Competition Risk: The industry is a highly competitive one, with presence of several major players. As a result of this, products face intense competition in various therapeutic areas. In order to mitigate the risks arising out of competition, the company has developed capabilities in the commercialisation of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and other regulatory aspects. The Company's capabilities are further enhanced with the presence of multiple sales division that focus on developing and growing its industry engagement.

Outlook

Strengths and Opportunities

Strong brands: The Company continues to focus on maintaining the strength of its brand portfolio; the Top 15 Mother Brands contribute 74% of its revenue and are well placed in their segments and poised for further future growth.

Leading prescription ranks: The Company's strong portfolio of Mother Brands has witnessed improvement over the years and enjoys leading prescription ranks with their respective specialties. In the prescription market, the Company holds a dominant position in key specialty areas such as diabetologists, cardiologists, neurologists, gastroenterologists and consulting physicians. Prescription ranks, implying the growth in new prescriptions, are a leading indicator of growth.

Prescription ranking among super specialists:

Diabetologists	**3rd**
Cardiologists	**4th**
Neurologists	**4th**
Gastroenterologists	**5th**
Consulting Physicians	**6th**

Source: SMSRC MAT Feb'22

Patient care initiatives: Our unique Patient care initiatives approach to doctor engagement leads to a professional and science backed customer relationship which apart from helping the healthcare community manage the disease burden, create immense brand equity for the Company.

Strong balance sheet: The Company has consistently generated profits and maintained strong cash flows. The Company follows strong return discipline in capital allocation decisions which has helped in having a strong balance sheet with superior returns on invested capital and net worth for the benefit of shareholders.

Operating efficiency: The yield per man (YPM) for the Company has potential of scaling up to industry leading numbers. With improvement in the YPM metric margin efficiency also improves.

Operating leverage: The manufacturing facility in Guwahati, Assam currently operating at ≈80% capacity utilisation on a two shift basis is capable of being scaled up to triple shift basis. The unutilised capacity will provide operating leverage benefit to the Company as sales of the products manufactured from the facility increases.

Demographic tailwinds: Overall healthcare spending in India is expected to rise due to rise in population, consistent economic development and rapid urbanisation, improved affordability, high real GDP growth rate and improving GDP per capita rising healthcare awareness among the masses and greater demand for insurance coverage, boosted by government and private insurer initiatives.

Increased lifestyle related diseases: Increasingly sedentary lifestyle, changing consumption patterns and rapid urbanization has led to a widespread rise in chronic ailments. As the market and economy mature, India is expected to see a higher share of chronic diseases in line with other emerging and most developed nations.

Health Insurance coverage: Greater demand for insurance coverage, boosted by government and private insurer initiatives will help drive the expansion of healthcare services and pharmaceuticals market in India.

Rising healthcare awareness: Enabled by rising medical information portals and healthcare start-ups, patients are becoming more aware of diseases and preventive therapies/ medicines.

Increase in government health expenditure: The government has plans of increasing focus on healthcare, doubling its share of expenditure as a % of GDP by 2025.

Threats, Risks and Concerns

Pandemic-like Situation: The outbreak of the COVID-19 like pandemic across the world and subsequent disruption in economic activities apart from impacting GDP across countries also causes various disruptions which impacts demand of pharmaceutical products.

Regulatory Overhang: The Drug Price Control (Amendment) Order limits price increases in schedule drugs mentioned in the National List of Essential Medicines (NLEM). While it has been observed that competitive forces in the market have been more e ective in controlling prices, amendments in the list will continue to pose challenges for the industry. As on 31st March 2022, 7% of the Company's revenue were from drugs scheduled in the NLEM (vs. 17% for the Indian Pharma Market).

Going Ahead

With sharp recovery in Indian economy and more focus on healthcare after COVID-19 pandemic domestic pharmaceutical market is expected to grow significantly. Eris's strong current portfolio will further reap benefits of investments in promotions in last couple of years. While the existing business remains the main engine of growth for the Company, in-licensing, exploring newer therapeutic areas and future patent expiries are some areas that it is exploring. In-licensing of products also remains an exciting opportunity for the Company. It is aggressively looking at entering into partnerships with national and international entities to leverage its sales and marketing, distribution and manufacturing facilities.

The Company has also identified various key products whose patents expire in the near future. Productivity is also expected to improve further with further expansion in doctor reach.

The Company is confident to continue to outperform in core therapies as a result of super speciality focus, strong power brands, presence in fast growing molecules and adaptability and resilience of the business model.

Safe Harbour and Cautionary Statement

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could di er materially from those expressed or implied.

Important factors that could make a di erence to the Company's operations include our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, allocations of funds by the Governments in the healthcare sector, increasing competition and the conditions of our customers, suppliers and the pharmaceutical industry, global and Indian demand-supply conditions finished goods prices, cyclical demand and pricing in the Company's principal markets, changes in government laws and regulations, tax regimes, our provisioning policies, economic and political developments within India and the countries within which the Company conducts businesses and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Amit Bakshi
Chairperson & Managing Director

Mr. Krishnakumar Vaidyanathan
Executive Director & COO

Mr. Inderjeet Singh Negi
Executive Director

Mr. Kaushal Shah
Executive Director

Mr. Sujesh Vasudevan
Independent Director

Ms. Kalpana Unadkat
Independent Director

Mr. Prashant Gupta
Independent Director

Mr. Rajeev Dalal
Independent Director

AUDIT COMMITTEE

Mr. Rajeev Dalal
Chairperson

Ms. Kalpana Unadkat
Member

Mr. Prashant Gupta
Member

Mr. Krishnakumar Vaidyanathan
Member

BANKERS

AXIS Bank Limited

HDFC Bank Limited

State Bank of India

CITI Bank N.A.

CHIEF FINANCIAL OFFICER

Mr. Sachin Shah

COMPANY SECRETARY

Mr. Milind Talegaonkar

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP

INTERNAL AUDITORS

M/s. Agrawal Dhand Motwani & Co.

COST AUDITORS

M/s. Kiran J Mehta & Co.

SECRETERIAL AUDITORS

M/s Ravi Kapoor & Associates

REGISTERED OFFICE

Shivarth Ambit, Plot No. 142/2, Ramdas Road,
Off SBR, Near Swati Bungalows, Bodakdev,
Ahmedabad - 380054

MANUFACTURING FACILITY

Plot Nos. 30 and 31, Brahmaputra Industrial Park,
Under Mouza-Sila, Senduri Ghopa, Amingaon,
North Guwahati, Guwahati 781 031 Assam, India

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited C - 101,
247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083

BOARD OF DIRECTORS

MR. AMIT BAKSHI

CHAIRMAN AND MANAGING DIRECTOR

Mr. Amit Bakshi has been on the Board of Eris since inception and serves as Chairman and Managing Director. He has over two decades of experience in the Indian pharmaceutical industry across multiple Indian and MNC pharmaceutical companies. He takes responsibility for setting the strategic direction for Eris as well as maintaining high governance standards. He oversees the company's business with special focus on enhancing patient engagement and architecting total healthcare solutions. Mr. Bakshi has been recognized as 'Entrepreneur of the Year, 2013' by Ernst & Young LLP.

MR. KRISHNAKUMAR VAIDYANATHAN

EXECUTIVE DIRECTOR & CHIEF OPERATING OFFICER

Mr. Krishnakumar in his role as Chief Operating Officer oversees the business operations of the company. He has over two decades of professional experience across Lifesciences, Corporate Finance and Management Consulting. His core areas of expertise include Strategic Planning, Business Building, Mergers & Acquisitions, Corporate Finance and Operational Excellence. Prior to joining Eris, Mr. Krishnakumar was a Corporate Finance Partner with Ernst & Young LLP for 9 years. Prior to Ernst & Young, Krishnakumar has worked with Avendus Capital, Piramal Pharma Solutions and McKinsey & Company. Mr. Krishnakumar holds an MBA in Finance from IIM Calcutta and a B.Tech from VJTI, Bombay University.

MR. INDERJEET SINGH NEGI

EXECUTIVE DIRECTOR

Mr. Inderjeet Singh Negi has been on the Board of Eris since inception and serves in the capacity of Executive Director. He is responsible for driving supply chain and sales administration in line with the overall strategic direction of the company. Mr. Negi has worked with several pharmaceutical companies including Sun Pharma and Intas Pharma in various capacities and has more than 20 years' cumulative professional experience. Mr. Negi is a science graduate from HNB Garhwal university.

MR. KAUSHAL KAMLESH SHAH

EXECUTIVE DIRECTOR

Mr. Kaushal Kamlesh Shah has been associated with Eris since inception and serves in the capacity of Executive Director. He is responsible for driving manufacturing, strategic sourcing and distribution operations. He has 23 years' experience in the pharmaceutical industry. Mr. Shah holds a bachelor's degree in commerce from Gujarat University and a post graduate diploma in management from Som-Lalit Institute of Management Studies.

MR. SUJESH VASUDEVAN

INDEPENDENT DIRECTOR

Mr. Sujesh Vasudevan is an Independent Director at Eris. A Harvard alumnus, he brings 31+ years of experience in the pharma industry across leading Indian and global companies such as Glenmark, Abbott, and Torrent in the areas of Sales & Marketing and Business Development. He has built and led international businesses for some of these companies. Mr. Sujesh is a Senior Advisor to the Boston Consulting Group (BCG) and a Consultant to Warburg Pincus.

MS. KALPANA UNADKAT

INDEPENDENT DIRECTOR

Ms. Kalpana Unadkat is an Independent Director at Eris. She is a qualified Solicitor registered with the Bombay Incorporated Law Society and the Law Society of England & Wales. She brings over two decades of legal experience and is presently a Partner with Khaitan & Co. Prior to Khaitan & Co., Ms. Unadkat spent 10 years with the London offices of Ashurst LLP. She is a well-recognised expert on M&A and Corporate Governance principles. She also advises on board effectiveness, particularly around issues of corporate governance, leadership, organisational climate, and decision-making. In this regard, she has led several workshops and trained more than 300 directors with a comprehensive approach to director development. She is also an independent director on the board of public companies (listed and unlisted). She is a co-author of the research "Women on Board" and has been frequently quoted in the media on corporate governance and M&A deals in India.

MR. PRASHANT GUPTA

INDEPENDENT DIRECTOR

Mr. Prashant Gupta, is an Independent Director at Eris. He is a Partner in the corporate law department of Shardul Amarchand Mangaldas & Co. Mr. Gupta has been recognized by Who's Who Legal, Chambers Asia, Indian Lawyer 250, Legal500 and other leading industry publications as one of the leading capital markets practitioners in India. He was selected by the Indian Business Law Journal as one of the top 100 lawyers in India in 2016 and 2017. Mr. Gupta received his Bachelor of Arts and Master of Arts in Jurisprudence from the University of Oxford, England, and a Bachelor's degree in Commerce from the Shri Ram College of Commerce, University of Delhi. He is member of the Bar Council of Delhi and State Bar of California.

MR. RAJEEV DALAL

INDEPENDENT DIRECTOR

Mr. Rajeev Dalal is an Independent Director at Eris. He brings over 36 years of experience in corporate finance covering 100+ M&A (domestic and cross border) transactions and Private Equity deals in sectors such as Pharma, Chemicals, FMCG, Metals & Mining, Industrials and Financial Services. Mr. Dalal was a corporate finance Partner at Ernst & Young LLP since 2002, consequent to the merger of Arthur Andersen with Ernst Young in India. Prior to that in 1990, Rajeev co-founded Ind Global Finance Trust (IGFT), which was acquired by Arthur Andersen in the year 2000. Prior to co-founding IGFT, Rajeev worked with HSBC and JM Financial in their investment banking divisions. Mr. Dalal is a member of the Institute of Company Secretaries of India. He is also a Law and Commerce Graduate from Bombay University.

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company have pleasure in presenting their 6th Annual Report (Post – IPO) on the business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS:

During the year under review, the performance of your Company was as under:

				(Rs. In Million)
Particulars	**Standalone**		**Consolidated**	
	Year ended 31st March, 2022	**Year ended 31st March, 2021**	**Year ended 31st March, 2022**	**Year ended 31st March, 2021**
Revenue from Operations	12,157.30	11,088.34	13,470.43	12,118.63
Other Income	289.89	99.98	260.94	87.08
Total Revenue	12,447.19	11,188.32	13,731.37	12,205.71
Operating EBITDA	4,839.95	4,173.14	4,849.55	4,305.76
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	5,129.84	4,273.12	5,110.49	4,392.84
Less:Depreciation/ Amortisation/ Impairment	(514.55)	(376.40)	(647.05)	(429.85)
Profit /loss before Finance Costs, Exceptional items and Tax Expense	4,615.29	3,896.72	4,463.45	3,962.99
Less: Finance Costs	(29.91)	(7.78)	(41.46)	(18.02)
Profit /loss before Exceptional items and Tax Expense	4,585.38	3,888.94	4,421.98	3,944.97
Add/(less): Exceptional items	0	0	0	0
Profit/(Loss) before taxation	**4,585.38**	**3,888.94**	**4,421.98**	**3,944.97**
Less : Tax Expenses (Current & Deferred)	(413.46)	(382.89)	(364.09)	(393.62)
Profit /loss for the year	4,171.92	3,506.05	4,057.89	3,551.35
Profit after tax before share of profit/(loss) of minority interest	**4,171.92**	**3,506.05**	**4,057.89**	**3,551.35**
Share of profit/(loss) attributable to Minority Interest	0	0	(3.24)	0
Profit for the year attributable to the shareholders of the company	**4,171.92**	**3,506.05**	**4,061.13**	**3,551.35**
Other Comprehensive Income/(Loss)	(10.05)	(12.80)	(9.82)	(14.89)
Total Comprehensive Income/Loss	4,161.87	3,493.25	4,048.07	3,536.46
Owners of the company	4,161.87	3,493.25	4,051.31	3,536.46
Add : Balance B/F from the previous year	15,577.39	12,830.93	15,503.13	12,713.46
Less: Transfer to Debenture Redemption Reserve, If any	0	0	0	0
Less: Transfer to Reserves	0	0	0	0
Less: Interim dividend	(816.48)	(746.79)	(816.48)	(746.79)
Less: Utilised for buy back of shares	0	0	0	0
Add: Change in Non-controlling interest	0	0	(1.43)	0
Balance Profit / (Loss) C/F to the next year	**18,922.78**	**15,577.39**	**18,736.53**	**15,503.13**

2. STATE OF AFFAIRS (standalone):

- The gross sales and other incomes for the financial year under review were Rs. 12,447.19 million as against Rs. 11,188.32 million in the previous year, recording a growth of 11.25%
- The profit before tax was Rs. 4,585.38 million for the financial year under review as against Rs. 3,888.94 million for the previous financial year, registering an increase of 17.91%
- The profit after tax for the financial year under review was Rs. 4,171.92 million as against Rs. 3,506.05 million for the previous financial year, registering an increase of 18.99%.

3. DIVIDEND:

In line with the Dividend Distribution Policy of the Company, during the year under review, the company had paid Rs. 6.01 per equity share (at the rate of 601%) as an interim dividend for the Financial Year 2021-22 (during the previous year the company had paid Rs. 5.50 (at the rate of 550%) per equity share as an interim dividend with no final dividend). No Final dividend was recommended by the Board of directors.

The Company has adopted the Dividend Distribution Policy and the said policy is available on the website of the Company at http://eris.co.in/policies.

4. CAPITAL EXPENDITURE (standalone):

As on March 31st, 2022, the gross fixed assets (tangible and intangible) stood at Rs. 7,833.96 million (previous year Rs. 7,168.75 million) and the net fixed assets (tangible and intangible), at Rs. 6,420.03 million (previous year Rs. 5,843.23 million). Capital expenditure during the year amounted to Rs. 532.83 million (previous year Rs. 256.11 million). During the year under review, the Company has paid NIL amount for business acquisition/ consolidation of holding (previous year NIL).

5. TRANSFERS TO RESERVES:

The Company has not transferred any amount to the reserves during the year under review. (previous year: NIL)

6. CHANGES IN CAPITAL STRUCTURE:

During the year under review, the Company had issued and allotted 1,49,544 equity shares to its employees under the "Eris Lifesciences Employee Stock Option Plan 2017". As a result, the issued, subscribed, and paid-up share capital of the Company increased from Rs. 13,57,80,653/- (divided into 13,57,80,653 equity shares of Re. 1/- each) to Rs. 13,59,30,197/- (divided into 13,59,30,197 equity shares of Re. 1/- each). The equity shares issued under the Eris Lifesciences Employee Stock Option Plan 2017 ranks pari-passu with the existing equity shares of the Company.

7. STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells LLP, having Firm's Registration No. 117366W/W-100018, Statutory Auditors of the Company, were re-appointed at the 15th Annual General Meeting (AGM) held on 01.09.2021 and will complete their term at the end of the 19th AGM of the Company.

The Auditor's Report for the financial year ended 31st March, 2022 does not contain any qualification, adverse remark, reservation or disclaimer and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

8. COST AUDITORS:

The Company has made and maintained cost accounts and records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

M/s Kiran J Mehta & Co., Cost Accountants have been duly reappointed by Board to conduct the audit of the cost records of the Company for the financial year 2022-23.

The remuneration payable to the Cost Auditor is subject to ratification by the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s Kiran J Mehta & Co., Cost Accountants, to conduct the audit of cost records of the Company for the financial year 2022-23 has been included in the Notice of the forthcoming 16th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

9. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board, pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has duly re-appointed M/s. Ravi Kapoor & Associates, Practicing Company Secretaries, Ahmedabad as the Secretarial Auditor of the Company to conduct Secretarial Audit as per the provisions of the Companies Act, 2013 for the financial year 2022-23.

The Secretarial Auditor has carried out Secretarial Audit accordingly and their report in Form MR-3, for the financial year 2021-22, is annexed as **"Annexure 1"** to this report.

The Secretarial Auditor's Report for the financial year ended 31st March 2022 does not contain any qualification, adverse remark, reservation, or disclaimer and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

10. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies, processes, and structure for ensuring the orderly and efficient conduct of its business with adequate and effective internal financial control across the organization, including adherence to the Company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Also, the Company has an internal audit system commensurate with the size of the Company and periodic audits of the internal functions and processes of the Company are ensured.

11. CONSERVATION OF ENERGY, RESEARCH, AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS, AND OUTGO:

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, appears at **"Annexure 2"** to this report.

12. SUBSIDIARY COMPANIES/JOINT VENTURE/ ASSOCIATE COMPANY:

As on March 31, 2022, the Company has (3) three wholly-owned subsidiaries and (2) two other than wholly owned subsidiaries. As per the provisions of the Companies Act, 2013 there are no associates or joint venture companies of the Company.

There has been no material change in the nature of the business of the subsidiaries of the Company.

The Board of Directors had reviewed the affairs of all the subsidiaries of the Company.

- During the year under review, no company ceased to be a subsidiary of the Company.
- Eris Therapeutics Limited, wholly owned subsidiary of the Company, has been incorporated on 23rd June, 2021.
- The Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) has issued fresh shares through private placement, pursuant to which Eris holding is now 70% in Eris M.J. Biopharm Private Limited.

The Company has formulated a policy for determining material subsidiaries. The Policy may be accessed at http://eris.co.in/policies.

13. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANIES /JOINT VENTURE/ ASSOCIATE COMPANY:

The Board has reviewed the affairs of its subsidiary companies. Pursuant to Section 129(3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries/ joint ventures/ associate companies of the Company, bringing out the highlights of their performance, in the prescribed form Form AOC – 1 which appears at **"Annexure 3"** to this report. Details pertaining to the subsidiaries of the Company are provided in the notes to the Consolidated Financial Statements.

The Audited Financial Statements of Company's subsidiaries for the financial year ended 31st March, 2022 are available on the web link https://eris.co.in/financial-statements-of-subsidiaries/ and the same are also available for inspection at the Registered Office of the Company as per the details mentioned in the notice of the 16th Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same, subject to compliance of the applicable provisions of the Companies Act, 2013.

14 CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements have been prepared pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014 and also as per the Indian Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI), in this regard. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries as approved by their respective Board of Directors.

15. ANNUAL RETURN (MGT-7):

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on 31st March 2022 is available on the Company's website at https://eris.co.in/annual-return-and-annual-secretarial-compliance-report/ under the Investor tab.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee.

The details of the CSR Committee composition, meetings, and the attendance of the Members at the meetings along with other details appear in the Report on Corporate Governance which forms part of this Annual Report.

The annual report on CSR in the prescribed form appears at **"Annexure 4"** to this Report. The content of the CSR Policy is available on the website of the Company at http://eris.co.in/policies.

17. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report, highlighting the important aspects of the business of the Company appears separately in the Annual Report.

18. CORPORATE GOVERNANCE:

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance and the Practicing Company Secretary's Certificate confirming compliances thereof appears at **"Annexure 5"** to this report.

19. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social, and governance perspective appears separately in the Annual Report.

20. DIRECTORS & KEY MANAGERIAL PERSONNEL:

During the year under review, the composition of the Board of Directors did not undergo any changes.

The Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence as prescribed thereunder.

The Independent Directors have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013 and the Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, and expertise.

The Company familiarises the Independent Directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model and related risks of the Company, etc. Monthly updates on performance/developments of the Company are sent to the Directors. The brief details of the familiarisation programme are available on the website of the Company at: https://eris.co.in/policies/.

There were no changes in Key Managerial Personnel during the financial year 2021-22.

Re-appointment / Appointment

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Amit Bakshi (DIN: 01250925) retires by rotation at the forthcoming 16th Annual General Meeting and being eligible, offers himself for re-appointment.

Necessary resolutions for approval of the appointment / re-appointment of the aforesaid Directors have been included in the Notice of the forthcoming 16th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

21. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, the Board of Directors of the Company duly met 5 (five) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

The applicable details of these Board meetings including the attendance of the Directors at those meetings are given in the report on Corporate Governance which forms part of the Annual Report.

22. COMMITTEES OF THE BOARD:

The Company has the following 6 (six) Board Committees which have been established in compliance with the requirement of applicable law(s) and statute(s) and function accordingly:

- Audit Committee
- Nomination and remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Executive Committee
- Risk Management Committee

The details with respect to the composition, terms of reference, number of meetings held and other disclosures required to be made in the Board's report etc. of these Committees are given in the report on Corporate Governance which forms part of the Annual Report.

23. EMPLOYEES' STOCK OPTION SCHEME:

Eris Lifesciences Employee Stock Option Plan 2017

The 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") was approved by the shareholders at their Extra Ordinary General Meeting held on 3rd February, 2017 and subsequently in the 11th Annual General Meeting held on 29th September, 2017, the Shareholders duly ratified the said Plan. The details as required to be disclosed under the Companies Act, 2013, read with the rules made thereunder and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [SEBI SBEB, 2021] appears at **"Annexure 6"** and are available on the Company's website at: https://eris.co.in/corporate-announcements/

Eris Lifesciences Limited Employee Stock Option Plan 2021

The 'Eris Lifesciences Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") was approved by the shareholders at their 15th Annual General Meeting held on 01st September 2021. The details as required to be disclosed under the Companies Act, 2013, read with the rules made thereunder and SEBI (Share Based Employee Benefits and sweat equity) Regulations, 2021 [SEBI SBEB, 2021] appears at **"Annexure 7"** and are available on the Company's website at: https://eris.co.in/corporate-announcements/

The objects of the Schemes are, inter alia, to provide an incentive to reward and motivate employees and enable them to participate in the long-term financial growth of the Company. The Company has granted stock options to eligible employees. The options will be exercisable into equity shares as per the terms and conditions stipulated in the Plan.

The certificate from the Secretarial Auditors of the Company certifying that the Scheme is implemented in accordance with the SEBI SBEB, 2021 and the resolutions passed by the members in this regard shall be available at the Annual General Meeting for inspection by members.

24. CONTRACTS WITH RELATED PARTIES:

The policy on Related Party Transactions as approved by the Board is available on the website of the Company and can be accessed through the web link: https://eris.co.in/policies/. All contracts/ arrangements/transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis.

As required under Section 134(3)(h) of the Act, details of transactions entered with related parties under the Act as per the last audited financial statements are given in Form AOC-2 provided at **"Annexure 8"** to this Report.

25. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE OR SECURITY PROVIDED BY THE COMPANY:

Details of loans, guarantees and investments, etc covered under section 186 of the Companies Act, 2013 appear in the notes to the financial statements.

26. PROTECTION OF WOMEN AT WORKPLACE:

No complaints pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been received during the year under review. Further, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. RISK MANAGEMENT:

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company.

The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

28. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM:

The Company provides an avenue to the Directors and Employees of the Company to report without fear any instance of an actual or suspected violation, wrongdoings, or any illegal or unethical, or improper practice which may adversely impact the image and/or the financials of the Company. For this, the Company has in place a Vigil Mechanism Policy (Whistle Blower Policy) for Directors and employees to report genuine concerns.

This provides for adequate safeguards against the victimization of employees and Directors who wish to use the vigil mechanism to bring any wrong deed(s) to the notice of the Company.

During the year under review, the implementation of the vigil mechanism has been properly and regularly monitored by the Audit Committee. However, no complaints or instances in this regard have been reported in the financial year 2021-22. The said policy is available on the Company's Website at http://eris.co.in/policies.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the profit of the Company for that period;
- They had taken proper and sufficient 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;
- They had prepared the annual accounts on a going concern basis;
- They had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating efficiently; and
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

30. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company has in place a policy on remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees which appears at **"Annexure 9"** to this report.

The details of parameters adopted for evaluating the performance of Non-Executive Directors appears in the Report on Corporate Governance which forms part of this Annual Report and also available on the Website of the Company at https://eris.co.in/policies/.

31. MANNER IN WHICH FORMAL ANNUAL EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS HAS BEEN CARRIED OUT:

The Board adopted the evaluation performed by the Independent Directors on the Board's performance carried out in accordance with the requirements of LODR Reg. 25(4)(a) which took into account factors like 'ability to create value for its shareholders while ensuring legal compliances' and 'corporate governance norms'. Satisfaction has been recorded about the performance based on the aforesaid criteria. The performance of the Committees was adjudged based on the criteria approved by the Nomination and remuneration committee of the Company. The Board records its satisfaction about the performance of all the committees of the Board. The performance evaluation of Chairperson and Managing Director of the Company has been carried out by the Independent Directors in accordance with LODR Reg. 25(4)(b) and stands duly adopted by the Board. The performance evaluation of non-independent directors has been carried out by the Independent Directors in accordance with LODR Reg. 25(4)(a) and it has been likewise adopted by the Board. The remaining members of the Board were evaluated at the Board Meetings based on parameters adopted by the Nomination and Remuneration Committee.

32. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures required pursuant to the provisions of Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and appears at **"Annexure 10"**.

34. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

The Company acquired 100% stake in Oaknet Healthcare Private Limited at the Company Valuation of Rs. 650 Crores through judicious mix of internal accruals and borrowings.

Except the above, no material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

35. PUBLIC DEPOSITS

The Company has not accepted deposits from the public during the year under review. No deposits were outstanding at the beginning or at the closure of the financial year under review.

36. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters under the Companies Act, 2013, and SEBI Regulations either on account of absence of any transaction or the inapplicability of the provisions:

- Reporting of fraud(s) by the Auditors within the meaning of Section 143(12) of the Companies Act, 2013.
- Disclosure pursuant to section 43(1) read with Rule 4(4) of Companies (Share Capital and Debenture) Rules, 2014 regarding issue of equity shares with differential rights.
- Details of any scheme for providing money for the purchase of shares of the Company by employees for the benefit of employees.
- Issue of shares (including sweat equity shares) to the employees of the Company under any scheme, save and except Employees' Stock Options Plans referred to in this Report.
- Receipt of any commission from the Company or remuneration from any of its subsidiaries by the Managing Director or the Wholetime Directors of the Company as per section 197(14) of the Companies Act, 2013.
- Revision in the financial statements (apart from regrouping adjustments) or directors' report in any of the three preceding financials years.
- Regulation 32 (4) of SEBI LODR Regulations regarding explanation for the variation in the utilisation of money raised by public issue.
- Change in the nature of business as per rule 8(5)(ii) of the Companies Account Rule, 2014.
- Significant or material orders passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.
- Details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review along with their status as at the end of the financial year.
- Details of difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof.

37. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from all the stakeholders during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Amit Bakshi

(DIN: 01250925)

Chairperson & Managing Director

Ahmedabad, 15th June 2022

Annexure 1

Form No. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,

The Members

Eris Lifesciences Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eris Lifesciences 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on 31st March, 2022 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 on 31st March, 2022 and verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of their applicability to the Company;

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) Regulation, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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:

i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors.

ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 15th June 2022

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587D000608555

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

Annexure A

To,

The Members

Eris Lifesciences Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 15th June 2022

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587D000608555

Annexure 2

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

Conservation of energy:

Steps taken for conservation of energy:

- Power consumption monitoring is regularly done at the manufacturing facility, resulting in optimum energy consumption and conservation.
- Use of LED lights and human sensor switches to save electricity has been adopted.
- Regulation in usage of office lighting.
- Regular monitoring of high energy consumption areas and taking appropriate measures as and when required. For instance optimisation of compressed air generation process, thermal insulation of hot water tanks and steam lines, preventive/periodic maintenance of HVAC plants and utility equipment.
- All efforts are made to use more natural lights in the premises to optimise the consumption of energy.

The steps taken by the company for utilising alternate sources of energy:

- The Company evaluates all possibilities of utilizing alternate sources of energy in its operations, wherever possible.

The capital investment on energy conservation equipment:

- During the year, the company has not made any capital investment on energy conservation equipment.

Technology absorption:

- Company regularly monitors the technical advancements which can help in reducing cost and make the existing processes more eco-friendly and result in minimization of environmental hazards.
- The benefits derived from these efforts would be product improvement, cost reduction, and sustainable development.
- No technology was imported by the Company during the year under review.
- During the year, the Company has not made any expenditure on research and development related to technology absorption.

Foreign Exchange Earnings and Outgo details are as follows:

(Rs. in million)

Sr. No.	Particulars	2021-22	2020-21
1	Foreign Exchange Earnings	Nil	Nil
2	Foreign Exchange Outgo	111.43	200.96

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 15th June 2022

Annexure 3

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A – Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in million)

Name of the Subsidiary	Aprica Healthcare Limited (Previously known as UTH Healthcare Limited)	Eris M. J. Biopharm Private Limited (Previously known as Kinedex Healthcare Private Limited)	Eris Therapeutics Limited	Eris Healthcare Private Limited	Eris Pharmaceutical Private Limited
The date since when subsidiary was Acquired/Incorporated	01.10.2017	23.11.2016	23.06.2021	01.12.2017	02.06.2020
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	23.06.2021 to 31.03.2022	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.
Share capital	73.45	2.61	2.58	43.33	0.10
Reserves & surplus	(38.43)	(6.19)	247.50	368.84	(0.09)
Total assets	352.48	112.75	720.95	1,058.48	0.24
Total Liabilities	117.47	116.33	470.87	616.31	0.23
Investments	30.02	-	-	0.08	-
Turnover	582.68	13.62	-	1,012.32	-
Profit before taxation	95.63	(16.70)	-	(134.51)	(0.04)
Provision for taxation	15.98	2.92	-	(33.91)	-
Profit after taxation	79.65	(19.62)	-	(100.60)	(0.04)
Proposed Dividend	-	-	-	-	-
% of shareholding	100.00	70.00	100.00	100.00	76 by EHPL

Notes:

1. Names of subsidiaries which are yet to commence operations: Eris Therapeutics Limited
2. Names of subsidiaries which have been liquidated or sold during the year: NA

PART B: ASSOCIATES AND JOINT VENTURES

Sr. No.	Name of Associates or Joint Ventures	There are no associates or joint ventures of the Company during the year
1.	Latest audited Balance Sheet Date	N.A.
2.	Date on which the Associate or Joint Venture was associated or acquired	N.A.
3.	Shares of Associate or Joint Ventures held by the company on the year end a. Numbers b. Amount of Investment in Associates or Joint Venture c. Extent of Holding (in percentage)	N.A.
4.	Description of how there is significant influence	N.A.
5.	Reason why the associate/joint venture is not consolidated	N.A.
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.
7.	Profit or Loss for the year a. onsidered in Consolidation b. Not Considered in Consolidation	N.A.

1. Names of associates or joint ventures which are yet to commence operations: NA

2. Names of associates or joint ventures which have been liquidated or sold during the year: NA

For Eris Lifesciences Limited

Amit Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No-A26493

Ahmedabad, 15th June 2022

Annexure 4

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility) Rules, 2014]

1. **BRIEF OF THE COMPANY'S CSR POLICY:**
While the Company continues to expand and grow in its sector of business, it has not lost sight of its commitment to play its role as an enlightened corporate citizen. Corporate Social Responsibility has always been on its agenda.

The Company's focus areas under CSR are:

- Preventive Medical Screening
- Education
- Environment
- Rural & Agricultural Development

2. **THE COMPOSITION OF THE CSR COMMITTEE:**
The CSR committee of the Board is responsible, inter alia, for overseeing the execution of the Company's CSR policy.

The composition of the CSR Committee of the Company as on 31.03.2022 was:

Sr. No.	Name of the Director	Designation	Nature of directorship (Executive / Non-executive/ Independent / Non-independent	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Inderjeet Singh Negi	Chairperson	Executive and Non-Independent	1	1
2	Mr. Rajeev Dalal	Member	Non-Executive and Independent	1	1
3	Mr. Kaushal Shah	Member	Executive and Non-Independent	1	1

3. **WEB-LINKS:**
Composition of CSR Committee: https://eris.co.in/wp-content/uploads/2021/02/Committees-of-the-Board-of-Directors.pdf
CSR Policy/Projects: https://eris.co.in/policies/

4. **DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES(CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):** Not Applicable

5. **DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. In Million)	Amount required to be set off for the financial year, if any (Rs. In Million)
1	2021-22	~129.94	-
2	2020-21	~ 0.29	-
3	2019-20	~ 0.25	-
Total		**~ 130.48**	

6. **AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS (Section 135(5)):** Rs. 3,271.35 million.

7. **PRESCRIBED CSR EXPENDITURE:** Rs. 65.43 million. (2% of Average Net Profit)

DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

(a) Total amount to be spent for the financial year: Rs. 65.43 Million
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
(c) Amount required to be set off for the financial year, if any: NIL
(d) Total CSR obligation for the financial year (a+b-c): Rs. 65.43 Million

8. CSR amount spent or unspent for the financial year:

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

Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (Rs. in Million)	Amount spent in the current financial Year (Rs. in Million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in Million)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NIL												

Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. in Million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Preventive medical screening at public places, sanitization, and promotion of vaccination	Promoting health care including Preventive health care (Schedule VII (i))	Yes	Pan India		192.10	No	NA	NA
2.	Promoting Education of Underprivileged	Education (Schedule VII (ii))	Yes	Gujarat		2.98	Both	Tresna Foundation	CSR00012863
Total						**195.08**			

Amount spent in Administrative Overheads: NA

Amount spent on Impact Assessment, if applicable: NA

Total amount spent for the Financial Year: Rs. 195.08 Million

Excess amount for set-off, if any:

Sl. No.	Particular	Amount (Rs. in Million)
(i)	Two percent of the average net profit of the company as per section 135(5)	65.43
(ii)	Total amount spent for the Financial Year	195.08
(iii)	Excess amount spent for the financial year [(ii)-(i)]	129.64
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	129.64

9. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Million)	Amount spent in the reporting Financial Year (Rs. in Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. in Million.)
				Name of the Fund	Amount (Rs. in Million).	Date of transfer.	
1	2020-21	0	195.08	Not Applicable	Not Applicable	Not Applicable	-
2	2019-20	0	59.53	Not Applicable	Not Applicable	Not Applicable	-
3	2018-19	0	59.53	Not Applicable	Not Applicable	Not Applicable	-
Total			**314.14**				**-**

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Million.).	Amount spent on the project in the reporting Financial Year (in Million).	Cumulative amount spent at the end of reporting Financial Year. (in Million.)	Status of the project - Completed /Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year
No creation or acquisition of capital asset(s) during the current financial year

11. The reasons for unspent amount: Not Applicable

For Eris Lifesciences Limited

Amit Bakshi
(DIN: 01250925)
Chairperson & Managing Director
Ahmedabad, 15th June 2022

Inderjeet Singh Negi
(DIN: 01255388)
Chairperson, CSR Committee
Ahmedabad, 15th June 2022

Annexure 5

CORPORATE GOVERNANCE REPORT

(Pursuant to provisions of Schedule V of the SEBI (LODR) Regulations, 2015/ "SEBI Listing Regulations")

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company believes in conscientiousness, innovation, fairness, transparency, the pursuit of long-term value for all stakeholders, ethical & accountability driven processes, and purposeful existence. Your Company views the code of Governance as an opportunity to translate these beliefs into conduct which may assure all persons dealing or contemplating dealing with the company about these legitimate expectations from the Company.

2. BOARD OF DIRECTORS:

As on 31st March, 2022, the Board of Directors (Board) is comprised of 8 (eight) directors out of which 3 (three) are promoter executive directors, 1 (one) executive director, and 4 (four) non-executive independent directors. The Board is chaired by an Executive Promoter Director.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as of March 31, 2022, have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("Act"). The maximum tenure of independent directors is compliant with the requirements of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

BOARD MEETINGS

The Company places before the Board all the relevant and necessary information at their meetings for the information of the Board. During the year ended on 31st March, 2022 the Board met 5 (five) times on 13/05/2021, 29/07/2021, 29/10/2021, 03/12/2021, and 28/01/2022.

COMPOSITION OF THE BOARD AND CATEGORY OF DIRECTORS

The Composition of the Board, the category of Directors' and their attendance at the Board Meeting held during the year is as follows.

Directors	Category & Designation	No. of Board meetings attended	Last AGM attendance (Yes/No)	Other Directorship ^	No. of Committees in which Chairman/member #	
					Chairperson	Member
Mr. Amit Bakshi (DIN: 01250925)	Promoter, Executive, Managing Director and Chairperson	5	Yes	1	0	0
Mr. Inderjeet Singh Negi (DIN: 01255388)	Promoter, Executive and Whole-time Director	5	Yes	3	0	1
Mr. Kaushal Shah (DIN: 01229038)	Promoter, Executive and Whole-time Director	5	Yes	4	0	0
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Executive Director	5	Yes	1	0	1
Mrs. Vijaya Sampath (DIN: 00641110)	Non-Executive and Independent Director	5	Yes	10	1	6
Mr. Prashant Gupta (DIN:08122641)	Non-Executive and Independent Director	4	Yes	0	0	1
Mr. Rajeev Dalal (DIN: 00222650)	Non-Executive and Independent Director	5	Yes	1	1	0
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	5	Yes	2	1	3

^ The above list of 'other directorships' is based on a declaration received from the respective Directors and does not include directorship in this Company.

The Committee (Audit and Stakeholders' Relationship Committee only) Memberships and Chairmanship in Companies include all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies.

DIRECTORSHIP IN LISTED COMPANIES OTHER THAN ERIS LIFESCIENCES LIMITED

Name of Directors	Category & Designation	Name of Listed Company
Mr. Amit Indubhushan Bakshi (DIN: 01250925)	N.A	N.A
Mr. Inderjeet Singh Negi (DIN: 01255388)	N.A	N.A
Mr. Kaushal Shah (DIN: 01229038)	N.A	N.A
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	N.A	N.A
Mrs. Vijaya Sampath (DIN: 00641110)	Non-Executive and Independent Director	Safari Industries (India) Limited Craftsman Automation Limited Varroc Engineering Limited Intellect Design Arena Limited Ingersoll Rand (India) Limited VA Tech Wabag Limited
Mr. Prashant Gupta (DIN:08122641)	N.A	N.A
Mr. Rajeev Dalal (DIN: 00222650)	N.A	N.A
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	Avenue Supermarts Limited

All the information required to be furnished to the Board was made available to them along with detailed agenda notes. Information is also provided to the Board of Directors as and when required to make informed and timely decisions for the Company.

None of the Directors are related to each other in any way.

As on 31st March, 2022, the details of Equity Shares held by Non-Executive Directors are as under:

Name of Director	No. of Equity Shares held
Mrs. Vijaya Sampath	3400
Mr. Prashant Gupta	0
Mr. Rajeev Dalal	0
Ms. Kalpana Unadkat	0

The familiarisation programmes imparted to independent directors are available on http://eris.co.in/policies/

The Board, in their meeting, assessed the veracity of the declaration given by the Independent Directors and confirmed that the Independent Directors comply with the provisions regarding independence specified in the SEBI LODR regulations and are independent of the Management of the Company.

During the year under review, no Independent director has resigned before the expiry of his/her tenure.

The information required to be given for the Directors seeking appointment/ reappointment at the Annual General Meeting as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are given in the Notice calling this annual general meeting.

The Board of Directors identifies and approves the following core skills/expertise/competencies required by the Board of Directors for the effective functioning of the business and sector in which the Company operates:

- Pharmaceutical Industry expertise;
- Financial expertise;
- Legal expertise;
- Out of Industry perspective;
- Familiarity with Company history gained through long employment;
- Marketing of brands in the Pharma market.

The Directors of the Company possess the aforementioned core skills/expertise/competencies.

Name of Director	Pharmaceutical Industry expertise	Financial expertise	Legal expertise	Out of Industry perspective	Familiarity with Company history gained through long employment	Marketing of brands in Pharma market
Mr. Amit Indubhushan Bakshi (DIN: 01250925)	Y	Y	-	-	Y	Y
Mr. Inderjeet Singh Negi (DIN: 01255388)	Y	Y	-	-	Y	Y
Mr. Kaushal Shah (DIN: 01229038)	Y	Y	-	-	Y	Y
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Y	Y	-	Y	-	-
Mrs. Vijaya Sampath (DIN: 00641110)	Y	Y	Y	Y	-	-
Mr. Prashant Gupta (DIN:08122641)	-	Y	Y	Y	-	-
Mr. Rajeev Dalal (DIN: 00222650)	Y	Y	-	Y	-	-
Ms. Kalpana Unadkat (DIN: 02490816)	-	Y	Y	Y	-	-

3. AUDIT COMMITTEE:

The composition of the Audit Committee is in compliance with the requirements of Section 177(2) and Regulation 18 of the Listing Regulations as on March 31, 2022 comprising of 4 (four) members out of which 1 (one) being executive director and 3 (three) non-executive independent directors.

During the year under review, the Audit Committee duly met 5 (Five) times on 13-05-2021, 29-07-2021, 29-10-2021, 03-12-2021, and 28-01-2022. The gap between any two successive Audit Committee meetings did not exceed one hundred and twenty days.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mrs. Vijaya Sampath	Chairperson Non-Executive Independent Director	5
2	Ms. Kalpana Unadkat	Member Non-Executive Independent Director	5
3	Mr. Prashant Gupta	Member Non-Executive Independent Director	4
4	Mr. Krishnakumar Vaidyanathan	Member Executive Director	5

All recommendations made by the Audit Committee during the year under review have been accepted by the Board of Directors

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Audit Committee is responsible for the discharge of its statutory role as per framework provided under the Companies Act, 2013 and the applicable SEBI rules and regulations. It covers, inter alia, the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors (including chief internal auditor of the Company and external auditors) and the fixation of the audit fee;
3. Approval of payment to statutory auditors or external auditors for any other services rendered by them;
4. Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies);
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements and auditor's report thereon before submission to the Board for approval;
6. 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 utilized 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 and monitoring the statutory auditor's and Internal Auditors independence and performance and discuss the same with the management and review effectiveness and adequacy of audit process and review Internal audit reports relating to internal control weaknesses;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed and mandatorily review Statement of significant related party transactions;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. 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;
13. Reviewing compliance with internal and statutory audit reports and examine reasons for substantial defaults and delays in implementing audit recommendations;
14. 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;
15. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. Reviewing the functioning of the whistle blower mechanism;
17. Review of statutory compliances and legal cases;
18. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
19. Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law;
20. Mandatorily review Management discussion and analysis of financial condition and results of operations;
21. Management letter / letters of internal control weaknesses issued by the statutory auditors;
22. Statement of deviations in terms of the SEBI Listing Regulations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
    b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders'.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders Relationship Committee is in compliance with the requirements of Section 178(5) and Regulation 20 of the Listing Regulations as on March 31, 2022, comprising of 3 (three) members out of which 1 (one) being the executive director and 2 (two) non-executive directors.

The Chairperson of the Stakeholders Relationship Committee is Mr. Rajeev Dalal, Non-Executive Independent Director.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1.	Mr. Rajeev Dalal	Chairperson Non-Executive Independent Director	1
2.	Ms. Kalpana Unadkat	Member Non-Executive Independent Director	1
3.	Mr. Inderjeet Singh Negi	Member Executive Director	1

The committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review, the Stakeholders Relationship Committee duly met 1 (one) time on 28.01.2022.

Mr. Milind Talegaonkar, Company Secretary acts as the Compliance Officer of the Company.

Number of Shareholder Complaints Received, Solved and Pending during the year:

No. of Complaints Received	No. of Complaint not Solved to the satisfaction of shareholders	No. of Complaints Pending
0	0	0

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE

1. Considering and resolving grievances of shareholders', debenture holders, and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures, or any other securities;
4. To consider and approve, any and all requests of the Security(ies) holders of the Company, for re-materialisation or de-materialisation of the Securities;
5. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

5. NOMINATION AND REMUNERATION COMMITTEE:

The composition of the Nomination and Remuneration Committee is in compliance with the requirements of Section 178(1) and Regulation 19 of the Listing Regulations as on March 31, 2022, comprising of 3 (Three) non-executive independent directors of the Company.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mrs. Vijaya Sampath	Chairperson Non-Executive Independent Director	2
2	Mr. Prashant Gupta	Member Non-Executive Independent Director	1
3	Mr. Rajeev Dalal	Member Non-Executive Independent Director	2
4	Mr. Amit Indubhushan Bakshi#	Member Chairperson of the Company, Executive Director	1

#Ceased to be Member of the Committee w.e.f from 17th June 2021.

The committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review the Nomination and Remuneration Committee duly met 2 (Two) times on 13-05-2021 and 29-07-2021.

The Nomination and Remuneration Committee, in its meeting held on 29th January, 2019, has adopted the following parameters to evaluate the performance of Independent Directors:

- Attendance at meetings of the Board and Committees thereof,
- Extent of participation through discussions in the Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Inputs received while making risk assessments and suggestions on risk mitigation,
- Inputs received during the review of financial statements, business performance,
- Overall contribution to the enhancement of brand image of the Company,
- performance of the directors,
- fulfilment of the independence criteria as specified in applicable regulation of SEBI LODR Regulations, 2015 and their independence from the management

Managing Director and the Whole-time Director(s) and other Executive director(s):

- appropriate benchmarks set as per industry standards,
- the performance of the role occupant.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Recommend to the board, all remuneration, in whatever form, payable to senior management
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
- To administer and superintend the ESOP scheme of the company.

6. CSR COMMITTEE

As on 31st March, 2022 the CSR Committee comprises of 3 (three) members out of which 2 (two) are executive directors and 1 (one) is non-executive Independent Director of the Company. The committee carries out functions enumerated in the Act. During the Year Company has conducted only one meeting on 13-05-2021.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of Meeting Attended
1	Mr. Inderjeet Singh Negi	Chairperson Executive Director	1
2	Mr. Kaushal Shah	Member Executive Director	1
3	Mr. Rajeev Dalal	Member Non-Executive Independent Director	1

The Company has spent Rs. 195.08 Million on CSR activities during the financial year under review.

The terms of reference of the CSR Committee, inter alia, includes the following:

- Recommending the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013 for every financial year; and
- Monitoring the Corporate Social Responsibility Policy of your Company from time to time and recommending to the Board, any amendments in Corporate Social Responsibility Policy indicating activities that can be undertaken by the Company as specified in Schedule VII to the Companies Act 2013.

7. EXECUTIVE COMMITTEE MEETING

As on 31st March, 2022 the Executive Committee comprises of 4 (four) members, all being executive directors. During the Year Company has conducted eleven Meetings on 04-05-2021, 31-05-2021, 24-06-2021, 13-07-2021, 12-08-2021, 24-09-2021, 18-10-2021, 25-11-2021, 21-12-2021, 22-01-2022 and 22-02-2022.

The Composition as on 31st March, 2022 of the Executive Committee are as follows:

Sr. No.	Name of the Director (and designation in relation to membership of the committee)	Executive / Non-executive	Independent / Non-independent	No. of Meeting Attended
1	Mr. Amit Indubhushan Bakshi	Chairperson Executive	Non-Independent	11
2	Mr. Inderjeet Singh Negi	Member Executive	Non-Independent	11
3	Mr. Kaushal Shah	Member Executive	Non-Independent	11
4	Mr. Krishnakumar Vaidyanathan	Member Executive	Non-Independent	11

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE, INTER ALIA INCLUDES:

- Deal with the day-to-day activities of the Company business including all operational matters affecting it;
- Develop and implement the adopted business plans, policies, guidelines, strategies, procedures, budgets and operational plans;
- Monitor and manage the operating and financial performance of the Company;
- Optimise, prioritise and allocate investment and resources;
- Manage and develop talent and undertake succession planning;
- Manage the risk profile of the Company;
- Give or make available to the Board such information, reports and other documents to enable it to carry out its duties.
- Be responsible for the identification, management, and mitigation of risk(s) across the Company's business;
- Manage the internal controls environment;
- Be responsible and accountable for the integrity of management information and financial reporting systems;
- Review the legal structure and propose recommendations for its improvement to the Board based thereon; and
- Borrow monies in terms of Section 179(3)(d) of the Act read with the first proviso thereto not exceeding an amount of INR 1000 crores (one thousand crores only) in the aggregate
- Invest the funds of the Company in terms of Section 179(3)(e) of the Act read with the first proviso thereto within the aforesaid overall limit of INR 1000 crores (one thousand crores only).
- Grant loans or give guarantee or provide security in respect of loans in terms of Section 179(3)(f) read with the first proviso thereto within the limits available to the Board from time to time.
- All actions and decisions ancillary, incidental, or connected to the above unless those are ultra-vires the Company or fall within the terms of reference of any other committee of the Board or is only exercisable by the general body, or is specifically required by the prevailing Company Laws to be exercisable only by the Board without permitting any committee delegation thereof.

8. RISK MANAGEMENT COMMITTEE:

As on 31st March, 2022 the Risk Management Committee comprises of 5 (Five) members out of which 3 (three) are executive directors, 1 (one) is non-executive Independent Director, and 1 (one) is employee of the Company. The committee carries out functions enumerated in the Act.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of Meeting Attended
1	Mr. Krishnakumar Vaidyanathan	Chairperson Executive Director	2
2	Mr. Amit Bakshi	Member Executive Director	1
3	Mr. Sachin Shah	Member CFO	2
4	Mr. Kaushal Shah	Member Executive Director	1
5	Mr. Kalpana Unadkat*	Member Non-Executive Director	2

*Appointed as a member of the Committee w.e.f. 13-05-2021

During the Year Company has conducted 2 (Two) Meetings on 29-07-2021 and 21-01-2022.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, for the following:

- To formulate a detailed risk management policy in conformity with the requirements of the LODR regulations as amended from time to time.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. For instance, validating the process of Risk Management, the procedure for Risk Minimization, Cyber Security risk management and mitigation;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems. This would include the activity of continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- To periodically review the risk management policy, at least once in two years (or such other frequency stipulated by law from time to time), including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee
- To coordinate its activities with other committees, in instances where there is an overlap with activities of such committees, as per the framework laid down by the board of directors.
- To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable."
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

9. INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, separate meeting of Independent Directors was held on 10.03.2022 without the participation of Non-Independent Directors and members of the management.

The Independent Directors discussed on various aspects, viz. performance of non-independent directors and the Board as a whole, performance of the Chairperson of the Company, quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. REMUNERATION OF THE DIRECTORS

a. Transactions with the non-executive directors: - The Company does not have a material pecuniary relationship or transactions with its non-executive directors. The Company has paid sitting fees to non-executive directors for attending the meetings of the Board / Committees / sub-committees. Further, the Company has paid commission to non-executive directors.

b. Criteria for making payments to Non-Executive Directors are available on the Company's website: http://eris.co.in/policies/

c. Disclosures with respect to remuneration:

In addition to the disclosures required under the Companies Act, 2013, as given in the annual return, the disclosure regarding remuneration are as follows:

1. Details of fixed component and performance linked incentives, along with the performance criteria:

(Amount in Rupees)

Sr. No	Particulars	Mr. Amit Bakshi Managing Director	Mr. Kaushal Shah Whole-time Director	Mr. Inderjeet Singh Negi Whole-time Director	Mr. Krishnakumar Vaidyanathan Executive Director
1	Basic Salary	1,74,99,996	26,25,000	45,50,004	1,16,87,500
2	Fixed components	84,99,940	39,50,629	71,27,595	2,81,65,515
3	Variable components	2,00,00,000	-	-	-
	Total	**4,59,99,936**	**65,75,629**	**1,16,77,599**	**3,98,53,015**

Non-Executive Directors:

During the year under review sitting fees and commission were paid to the Non-Executive Directors including Independent Directors of the Company which are as under;

Name of Director	Amount of commission paid	Amount of sitting fees paid
Mrs. Vijaya Sampath	55,00,000	9,00,000
Mr. Prashant Gupta	55,00,000	6,75,000
Mr. Rajeev Dalal	30,00,000	6,75,000
Ms. Kalpana Unadkat	35,00,000	9,75,000

2. Performance criteria includes the growth, consolidation, Position of the Company in the Indian Pharmaceutical Market (IPM), Compliance Record, comparison with the peer group as assessed/ adjudged along with other criteria as decided by the Board / Committee from time to time.

3. There are no separate service agreements executed by the Company and its Directors.

However, the Company has executed the following agreements:

- Managing Director Employment Agreement with Mr. Amit Bakshi,
- Employment Agreement with Mr. Kaushal Shah, Mr. Inderjeet Singh Negi and Mr. Krishnakumar Vaidyanathan

The Non-Executive/Independent Directors are entitled to commission and sitting fees in respect of the meetings of the Board and its committee/ sub-committees attended by them and they are also entitled to reimbursement of all expenses for participation in the Board and other meetings in accordance with the Letter of Appointment issued to them.

Apart from the above agreements and letters of appointments, there are no service agreements/severance fees executed / paid by the Company to the Directors. For all the above mentioned agreements notice period is/ would be 120 days. Non-Executive Directors may resign from his/her position at any time after serving a reasonable written notice to the Board.

Except 65,880 ESOPs granted to Mr. Krishnakumar Vaidyanathan, Executive Director and Chief Operating Officer, under ESOP Plan 2021 of the Company, no ESOPs have been granted to any other Director of the Company.

11. GENERAL BODY MEETINGS:

The date and time of annual general meetings held during last three years and the special resolution(s) passed there at, are as follows:

Meeting No.	Financial Year	Date and Time	Venue	Special Resolution passed
13th	2018-19	Friday, 27th September, 2019 At 11:00 A.M.	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	None
14th	2019-20	Tuesday, 29th September, 2020 At 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") Deemed venue was the Registered office of the Company located at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015	Appointment of Mr. Kaushal Kamlesh Shah as a Whole-time Director of the Company
15th	2020-21	Wednesday, 1st September, 2021 At 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") The Deemed venue was the Registered office of the Company located at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015	• Re-appointment of Mrs. Vijaya Sampath as an Independent Director of the Company • Re-appointment of Mr. Amit Bakshi as the Managing Director of the Company • Appointment of Mr. Krishnakumar Vaidyanathan as the Whole-Time Director of the Company • Re-appointment of Mr. Inderjeet Singh Negi as the Whole-Time Director of the Company • Approval of Eris Lifesciences Employees Stock Option Plan, 2021 (ESOP-2021)

During the year under review, Postal Ballot was conducted by the Company for seeking the approval of the Members. The details of the Postal Ballot conducted are mentioned below:

- Date of postal ballot notice: 12th June, 2021
- Date of declaration of results: 26th July, 2021
- Voting period: 25th June, 2021 to 24th July, 2021

Name of the resolution	Type of the resolution	No of votes polled	Votes cast in favour		Votes cast against	
			No. of votes in favour	% in favour	No. of votes against	% in against
Approval of the re-classification of shareholder belonging to promoter group category to public category	Ordinary	98165714	98165179	100	535	Negligible

- The Company had appointed Mr. Ravi Kapoor, Practicing Company Secretary (FCS No. 2587; COP No 2407), proprietor of M/s. Ravi Kapoor & Associates, Ahmedabad as Scrutinizer for conducting the E-voting process in a fair and transparent manner.
- As per the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020 and 39/2020 dated 31st December, 2020 issued by the Ministry of Corporate Affairs and on account of the threats posed by the COVID-19 pandemic, physical copies of the Notice, postal ballot forms and pre-paid business reply envelopes were not sent to the members for the postal ballot conducted during the financial year under review. In respect of those shareholders who have not registered their email ids, the Company has provided the mechanism in this notice to register their email ids and a public notice to that effect was published. Members were requested to provide their assent or dissent through e-voting only. A copy of the Notice is available on the website of the Company at www.eris.co.in, website of the stock exchanges where the equity shares of the Company are listed, i.e. BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively. The result of the Postal Ballot was also displayed at the said address and posted on the Company's website www.eris.co.in, besides communicating to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited. Voting rights were reckoned on the paid-up value of equity shares registered in the name of members as on the cut-off date. The Scrutinizer's decision on the validity of the e-voting was final and binding. The Scrutinizer submitted his report to the Chairman after the completion of the scrutiny and the results of the voting by postal ballot were published on the website of the Company and at the registered office of the Company, besides being communicated to the stock exchanges and the e-voting agency.

  In the current financial year, no special resolution is proposed to be passed through postal ballot.

12. MEANS OF COMMUNICATION:

Quarterly / Annual Results: The quarterly / half-yearly / annual financial results as required under Regulation 33 of the Listing Regulations have been intimated to the Stock Exchanges and published in the newspaper- 'The Financial Express' (English & Gujarati editions). Further, the said results are also available at the website of the Company i.e. https://eris.co.in/financials/

News releases, presentations and others: Official news releases and official media releases are sent to Stock Exchanges and are put on the Company's website.

Information on the website of the Company: The Company is in compliance of Regulation 46 of the Listing Regulations. On the website of the Company (www.eris.co.in), a separate section under 'Investors' tab has been created, where Company disseminates information and various announcements.

Presentations to institutional investors / analysts: The transcript of the conference calls for Results, presentations made to institutional investors and financial analysts are intimated to the Stock Exchanges and are put on the Company's website.

13. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Day, Date, Time and Venue	Day : Thursday Date: 01st September, 2022 Time: 11:00 a.m. Venue : Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(ii)	Financial Year	1st April, 2021 to 31st March, 2022
(iv)	Dividend Payment Date	Not Applicable
(V)	ISIN No. for ordinary shares of the Company in Demat form	INE406M01024
(vi)	Registered Office	Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(vii)	Registrar and Transfer Agent	Link Intime India Pvt. Ltd. C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083
(vii)	Investor Correspondence	Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(ix)	Plant Location	Plot no. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India
(x)	Any Website where it displays official releases	http://www.eris.co.in
(xi)	Any presentation made to the institutional investor and analyst	Displayed on website of the Company.
(xii)	Is half yearly report sent to the shareholders	No
(xiii)	Whether Management Discussion and Analysis is a part of this report	The said report is part of the Annual Report.
(xiv)	Share Transfer System	The work of physical share transfer is presently handled by Registrar and Transfer Agent. The work of electronic transfer of shares is done through the depositories.
(xv)	Auditors for the FY 2021-22 and Proposed Auditors for the FY 2022 – 2023	M/s Deloitte Haskins & Sells LLP
(xvi)	Compliance Officer	Mr. Milind Talegaonkar
(xvii)	Company Secretary	Mr. Milind Talegaonkar
(xviii)	Whether securities are suspended from trading	No

Listing on Stock Exchange(s):

Sr. No.	Name of Stock Exchange	Address of Stock Exchange	Stock Code
1	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	540596
2	National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai-400051	ERIS

Notes: Annual Listing fees for the Financial Year 2021 -22 has been duly paid to the stock exchanges.

Market price data of the Company:

	BSE Limited		National Stock Exchange of India Limited	
Month	Month's High Price	Month's low Price	Month's High Price	Month's low Price
Apr-21	636.85	576.50	634	576.6
May-21	735	585.75	734.90	586
Jun-21	729	680	730	682.35
Jul-21	818.6	695.75	819.7	696
Aug-21	802	711	802.75	713.45
Sep-21	796	722.45	796.95	722
Oct-21	863.15	736.45	863	737.95
Nov-21	855.9	708.25	835	707.7
Dec-21	782.5	670	774	670
Jan-22	776	690	774	689
Feb-22	740	625.6	725	623.05
Mar-22	744.35	649.1	748	657.25

Performance of the Share price of the Company in comparison to the BSE SENSEX and NSE NIFTY:

14. DISTRIBUTION OF SHAREHOLDINGS AND SHARE HOLDING PATTERN

Distribution schedule: (AS ON 31-03-2022):

Distribution of Shares	No of Share Holders	Percentage to Total No. of Shareholders	No of Shares Held	Percentage to Total Share Capital
1 – 500	56785	98.6313	1786472	1.3143
501 – 1000	420	0.7295	309742	0.2279
1001 – 2000	145	0.2519	204996	0.1508
2001 – 3000	38	0.0660	94733	0.0697
3001 – 4000	29	0.0504	103073	0.0758
4001 – 5000	21	0.0365	94158	0.0693
5001 – 10000	25	0.0434	181715	0.1337
Above 10001	110	0.1911	133155308	97.9586
Grand Total	**57573**	**100**	**135930197**	**100**

Shareholding Pattern:

CATEGORY WISE SHAREHOLDING PATTERN AS ON 31ST MARCH, 2022:

Sr. No.	Category	No. of Shares Held	% of Holding
1	**Promoter & Promoter Group**		
	Indian	71583433	52.66
	Foreign	0	0
2	**Public**		
	Institutions	32375102	23.82
	Central Government/ State Government(s)/ President of India		
	Non-Institutions	31971662	23.52
3	**Non Promoter - Non Public**		
	Custodian/DR Holder	0	0
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0
Total (1+2+3)		**135930197**	**100**

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY.

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). All the shares except 5 Equity shares of the Company have been dematerialised by investors as on 31st March, 2022 and actively traded in normal volume on BSE Limited and National Stock Exchange of India Limited.

16. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

17. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The risk of exchange rate volatility is mitigated by splitting and spreading the foreign exchange payments between the date of issue of import orders and the final payment against receipt of supplies. The Company has obtained the necessary authorisations for covering the foreign exchange exposure. The decision to avail hedging is taken on a case to case basis.

18. CREDIT RATING:

During the year under review no credit rating was required by the Company.

19. OTHER DISCLOSURES:

(a) Materially significant related party transactions:

There were no materially significant related party transactions during the year under review that may have potential conflict with the interests of the Company at large.

(b) Details of noncompliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during the last three years:

During the period under review, the Company had not received any notice regarding non-compliance of the provisions of applicable laws by the Company.

(c) Whistle Blower Policy/Vigil Mechanism:

In accordance with the requirements of the Act, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place the Whistle Blower Policy approved by the Board of Directors. The Company affirms that no personnel has been denied access to the Audit Committee. The said policy has been uploaded on the website of the Company - http://www.eris.co.in/policies.

(d) Compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all mandatory requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, at present, the Company has not adopted the non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for Reporting of Internal Auditor to the Audit Committee.

(e) Web link where policy for determining 'material' subsidiaries is available:

The Company has in place the Policy for determining Material subsidiaries and the said policy has been uploaded on the website of the Company- http://www.eris.co.in/policies.

(f) Web link where policy on dealing with related party transactions is available: The Company has in place the policy on dealing with related party transactions and the said policy has been uploaded on the website of the Company - http://www.eris.co.in/policies.

(g) Commodity Price Risk and Hedging Activities:

The Company purchases Active Pharmaceutical Ingredient (API) and other materials that are used in the manufacturing of drugs. The prices of raw materials generally fluctuate in line with commodity cycles over a short period of time.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also has a Risk Management framework to proactively mitigate the impact through measures like cost based price increases, cost reduction measures, portfolio rationalisation, renegotiating procurement contracts etc. Additionally, the Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification.

Most of these materials are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company does not use any derivative contracts to hedge exposure to fluctuations in commodity prices.

(h) Details of the utilization of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32 (7A):

During the financial year, the Company has not raised any funds through preferential allotment or Qualified Institutions Placement.

(i) The Company has received a certificate from Mr. Ravi Kapoor, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations. Copy of the said certificate appears at **"Annexure A"** to this report.

(j) There were no instances where the Board of Directors had not accepted any of the recommendation(s) given by any Committee(s) of the Board during the financial year under review.

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is Rs. 5.06 million.

(l) Disclosure required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints outstanding at the beginning of the financial year: Nil

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on the end of the financial year: Nil

There is no non-compliance with any requirement of the Corporate Governance Report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of SEBI LODR Regulations.

20. UNCLAIMED SHARES LYING IN DEMAT SUSPENSE ACCOUNT:

The balance in the Demat suspense account or unclaimed suspense account is NIL.

21. DETAILS OF NON-COMPLIANCE

No Penalties have been imposed by any stock exchanges and SEBI, nor has there been any instance of non-compliance with any legal requirements of the corporate governance report other than those mentioned Secretarial Audit Report issued by the Secretarial Auditor of the Company.

22. DISCLOSURE OF COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS:

The Company has complied with the corporate governance requirement as specified in the regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR Regulations.

23. MANAGING DIRECTOR /CFO CERTIFICATION:

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI LODR Regulations. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI LODR Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer appears at **"Annexure B"** to this report.

24. CODE OF CONDUCT:

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them.

The Code has been uploaded on the website of the Company.

25. DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for the Board of Directors and Senior Management Personnel in respect of the financial year 2021 – 2022.

I, Amit Bakshi, Chairman & Managing Director of Eris Lifesciences Limited, declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2021 – 2022.

Place: Ahmedabad

Date: 15 June 2022

Amit Bakshi

Chairperson & Managing Director

DIN: 01250925

26. COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY

A Certificate from the Practicing Company Secretary regarding the compliance of conditions of corporate governance, as stipulated under Regulation 34 of the SEBI Regulations appears at **"Annexure C"** to this report.

Annexure A to the Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
ERIS LIFESCIENCES LIMITED
Shivarth Ambit, Plot No 142/2, Ramdas Road,
Off SBR Near Swati Bungalows, Bodakdev,
Ahmedabad – 380 054.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Eris Lifesciences Limited** having CIN **L24232GJ2007PLC049867** and having registered office at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev Ahmedabad – 380 054 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Rajeev Dalal	00222650	19/12/2020
2	Vijaya Sampath	00641110	03/02/2017
3	Kaushal Kamlesh Shah	01229038	04/08/2020
4	Amit Indubhushan Bakshi	01250925	27/01/2007
5	Inderjeet Singh Negi	01255388	25/01/2007
6	Prashant Gupta	08122641	30/04/2018
7	Kalpana Vasantrai Unadkat	02490816	05/01/2021
8	Krishnakumar Vaidyanathan	08976508	20/12/2020

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated above for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor and Associates

Date: 15th June 2022
Place: Ahmedabad

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
CP No. 2407
UDIN: F002587D000608491

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI LODR, 2015

To,
The Board of Directors.
Eris Lifesciences Limited

We, Amit Bakshi, DIN: 01250925, Chairperson & Managing Director and Sachin Shah, Chief Financial Officer of Eris Lifesciences Limited ("Company") to the best of our knowledge and belief certify that:

A. We have reviewed standalone as well as consolidated financial statements and the cash flow statement of the Company for the quarter/year ended 31st March, 2022 and to the best of their knowledge and belief:
   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee
   (1) There has not been any significant changes in internal control over financial reporting during the year;
   (2) There has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (3) There has not been any 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: Ahmedabad	**Amit Bakshi**	**Sachin Shah**
Date: 08.06.2022	Chairperson & Managing Director	Chief Financial Officer

Annexure C to the Corporate Governance Report

Compliance Certificate

To,
The Members of
Eris Lifesciences Limited

We have examined the Compliance Conditions of Corporate Governance by **Eris Lifesciences Limited** for the year ended on 31st March, 2022 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2021 to 31st March, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated Listing Regulations.

We further 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.

Date: 15th June 2022
Place: Ahmedabad

Ravi Kapoor & Associates

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
COP No.: 2407
UDIN: F002587D000608601

Annexure 6

ERIS LIFESCIENCES LIMITED

Registered Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
Email: complianceofficer@erislifesciences.com Website: www.eris.co.in
Tel: +91 79 6966 1000 Fax: +91 79 6966 1155
CIN: L24232GJ2007PLC049867

DISCLOSURES WITH RESPECT TO EMPLOYEES' STOCK OPTION PLAN, 2017 OF THE COMPANY PURSUANT TO RULE 12 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, REGULATION 14 AND PART F OF SCHEDULE I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 AS ON MARCH 31, 2022:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by the ICAI or any other relevant accounting standards as prescribed from time to time:

Members may refer to the audited financial statements prepared as per IND AS for the year 2021-2022.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Ind-AS 33:

Diluted EPS for the year ended March 31, 2022 is Rs. 30.70 calculated in accordance with IND AS 33

C. Details related to Employees' Stock Option Plan, 2017 ("ESOP 2017")

Sr. No.	Description	Details
1	Date of Shareholders' Approval	3rd February, 2017 29th September, 2017 (Ratified)
2	Total Number of Options approved under ESOPs	3,91,599 equity shares
3	Vesting requirements	Options granted under ESOP 2017 would vest not earlier than 1 (One) year and not later than 5 (Five) years from the date of Grant of such Options. The Option would vest on completion of vesting period and the vesting of options would be subject to continued employment/service with the Company. The Nomination and Remuneration Committee of the Company Compensation Committee may specify certain performance parameters subject to which the Options would vest. The Options would vest in a Director only if he continues to remain a Director of the Company on the date of the Vesting of Options. Vesting of Options in case of Employees on long leave: The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Board.
4	Exercise Price	The Exercise Price per Option shall be such price as may be determined by the Nomination and Remuneration Committee of the Company/ Compensation Committee being not less than the face value of an equity share of the Company as on the date of grant of Option. The Exercise price of options (as of the date of grant of options) was determined as Rs. 451.04.
5	Pricing Formula	Discount to fair market value of the Equity Shares as on the date of grant.
6	Maximum term of option granted	The options would vest over a maximum period of 5 years from the date of grant of Options.

7	Sources of Shares	Primary
8	Variation in terms of options	Nil
9	Method used to account for ESOPs	Black Scholes Option Pricing Model.
10	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed	NA
11	Option movement during the year as on March 31, 2022	
a.	Number of options outstanding at the beginning of the period	2,73,709
b.	Number of options granted during the year	Nil
c.	Number of options forfeited/ lapsed during the year	16,629
d.	Number of option vested during the year	59,197
e.	Number of options exercised during the year	1,49,544
f.	Number of shares arising as a result of exercise of options	1,49,544
g.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	67.45 million
h.	Loan repaid by the trust during the year from exercise price received	NA
i.	Number of options outstanding at the end of the year	1,07,536
j.	Number of options exercisable at the end of the year	53,826
12	Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise prices: Rs. 451.04 Weighted average fair values: Rs 268.77
13	Employee- wise details of options granted during the year to:	NA
	i. Senior Managerial Personnel and / or Key Managerial Pesonnel ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	

14. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model:

Sr. No	Particular	2021-22
i	weighted average risk free interest rate	6.91%
ii	weighted average expected option life (in Years)	5.50
iii	weighted average expected volatility	20.56%
iv	weighted average expected dividend yield	1.00%
v	weighted average share price	601.38
vi	weighted average exercise price (rounded to nearest decimal)	451.04

b. The method used and the assumptions made to incorporate the effects of expected early exercise:

Black Scholes Option Pricing Model. The assumptions are as stated in the above table.

c. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:

The expected volatility has been calculated based on the nearest comparable peers' prices, as the historical data of the Company was not available considering the unlisted status of your Company as of the grant date of stock options.

d. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:

Yes, the features are mentioned below, viz:

a. weighted average risk free interest rate

b. weighted average expected volatility

c. weighted average share price

Disclosures in respect of grants made in three years prior to IPO under each ESOP:

a. During the year 2016-17, the ESOP scheme 2017 was approved but no grants were made.

b. On April 12, 2017 all options under the said scheme i.e. 391,599 options were granted prior to the IPO.

Information regarding options Lapse:

a. During the year 2017-18, 23,281 options became unexercisable.

b. During the year 2018-19, 11,640 options became unexercisable/Lapsed.

c. During the year 2019-20, 14,965 Options became unexercisable/Lapsed.

d. During the year 2020-21, 48,221 Options became unexercisable/Lapsed.

e. During the year 2021-22, 16,629 Options became unexercisable/Lapsed

f. The Company has re-credited total 98,107 options to options reserved till the signing of the report.

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, 15th June 2022

Annexure 7

ERIS LIFESCIENCES LIMITED

Registered Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
Email: complianceofficer@erislifesciences.com Website: www.eris.co.in
Tel: +91 79 6966 1000 Fax: +91 79 6966 1155
CIN: L24232GJ2007PLC049867

DISCLOSURES WITH RESPECT TO EMPLOYEES' STOCK OPTION PLAN, 2021 OF THE COMPANY PURSUANT TO RULE 12 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, REGULATION 14 AND PART F OF SCHEDULE I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by the ICAI or any other relevant accounting standards as prescribed from time to time:

Members may refer to the audited financial statements prepared as per IND AS for the year 2021-2022.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Ind-AS 33:

Diluted EPS for the year ended March 31, 2022 is Rs. 30.70 calculated in accordance with IND AS 33

C. Details related to Employees' Stock Option Plan, 2021 ("ESOP 2021")

Sr. No.	Description	Details
1.	Date of Shareholders' Approval	01st September, 2021
2.	Total Number of Options approved under ESOPs	13,58,630 equity shares
3.	Vesting requirements	There shall be a minimum period of one year between grant of Options and vesting of Options. The granted Options shall be vested as per the vesting schedule of 25:25:25:25, i.e., 25% of the grant shall vest at the first anniversary of the grant, 25% of the grant shall vest at the second anniversary of the grant, 25% of the grant shall vest at the third anniversary of the grant and 25% of the grant shall vest at the fourth anniversary of the grant. Unless the Administrator decides otherwise, no amount shall vest, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company and/or its subsidiary(ies) ("Group") or any activity related to the business carried on by the Group.
4.	Exercise Price or Pricing Formula	The exercise price shall be 80% of the closing price (CMP) of the equity shares of the company on the National Stock Exchange of India Limited on the date immediately preceding the date of grant and if such a date is a trading holiday, the earliest such preceding day which is not a trading holiday.
5.	Maximum term of option granted	31st December 2037
6.	Sources of Shares	Primary
7.	Variation in terms of options	Nil

8.	Method used to account for ESOPs	Black Scholes Option Pricing Model.
9.	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed	NA
10.	Option movement during the year as on March 31, 2021	
a.	Number of options outstanding at the beginning of the period	NIL
b.	Number of options granted during the year	2,14,102
c.	Number of options forfeited/ lapsed during the year	NIL
d.	Number of option vested during the year	NIL
e.	Number of options exercised during the year	NIL
f.	Number of shares arising as a result of exercise of options	NIL
i.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	NIL
h.	Loan repaid by the trust during the year from exercise price received	NA
i.	Number of options outstanding at the end of the year	2,14,102
j.	Number of options exercisable at the end of the year	NIL
11.	Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise prices: Rs. 557.24 Weighted average fair values: Rs 341.62
12.	Employee- wise details of options granted during the year to:	
	i. Senior Managerial Personnel and / or Key Managerial Personnel	Mr. Krishnakumar Vaidyanathan Executive Director & Chief Operating Officer - 65880 Options Mr. Sachin Shah – CFO – 9054 Options Mr. Milind Talegaonkar – Company Secretary – 2884 Options
	ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Mr. Krishnakumar Vaidyanathan Executive Director & Chief Operating Officer - 65880 Options
	iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL

13. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model:

Sr. No	Particular	2021-22
i	weighted average risk free interest rate	6.37%
ii	weighted average expected option life (in Years)	7.50
iii	weighted average expected volatility	33.38%
iv	weighted average expected dividend yield	0.76%
v	weighted average share price	696.55
vi	weighted average exercise price (rounded to nearest decimal)	557.24

b. The method used and the assumptions made to incorporate the effects of expected early exercise:

Black Scholes Option Pricing Model. The assumptions are as stated in the above table.

c. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:

The expected volatility has been calculated based on average Underlying Annualized Volatility from listing date to February 10, 2022 of Eris Lifesciences Ltd

d. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:

Yes, the features are mentioned below, viz:

a. weighted average risk free interest rate
b. weighted average expected volatility
c. weighted average share price

Disclosures in respect of grants made in three years prior to IPO under each ESOP: NA

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, 15th June 2022

Annexure 8

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto. (FY 2021-22)

I. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

II. Details of material contracts or arrangement or transactions at arm's length basis:

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2022.

For Eris Lifesciences Limited
Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 15th June 2022

Annexure 9

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL ("KMP") AND OTHER EMPLOYEES

Preamble

This Policy on Remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees (hereinafter referred as the "Policy") of Eris Lifesciences Limited ("the Company") is designed and formulated by the Nomination and Remuneration Committee ("the Committee") of the Company pursuant to the Companies Act, 2013 (the "Act") and rules made thereunder and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

The Board of Directors of the Company adopted this policy at their meeting held on August 17, 2017.

The Policy lays down the criteria with regard to remuneration of Directors, KMP and other employees.

A. Guiding Principles for remuneration: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate with their contributions and shall be sufficient enough to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge and skill required including complexity of the job, work duration and risks associated with the work, and attitude of the worker like positive outlook, team work, loyalty, past remuneration, past performance etc.

The level and components of the remuneration shall be such so as to align with the long term interest of the company and it's shareholders.

B. Components of Remuneration:

The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.

a. Fixed compensation: The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.

b. Variable compensation: The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.

c. Share based payments: The Board of Directors may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.

d. Non-monetary benefits: Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary benefits such as discounted salary advance /credit facility, rent free accommodation, Company cars with or without chauffer's, share and share price related incentive, reimbursement of electricity and telephone bills etc.

e. Commission: The directors may be paid commission if approved by the shareholders. The shareholders may authorise the Board to declare commission to be paid to any director of the Board.

f. Retirement benefits: The Company shall provide retirement benefits applicable in accordance with law.

g. Sitting Fee and Commission: The Company may pay sitting fee for attending Board and Committee meeting and commission to the Directors of the Company in compliance with law.

h. Loan/ advances to the Employees: The Company may give loan or advances to the employees in accordance with the provisions of the Companies Act, 2013 and the terms and conditions of the Loan Policy of the Company, as approved by the Board or any Committees thereof, from time to time.

C. Entitlement: The authority to determine the entitlement to various components as aforesaid for each class and designation of personnel shall be as follows:

Designation / Class	To be determined by
Managing Director/ Whole Time Director	The remuneration for the Managing Director/ Whole Time Director is as per the agreement approved by the shareholders on recommendation of the Board of Directors. In case of any change, the same would require the approval of the shareholders on recommendation of the Board of Directors and other applicable compliances required by laws.
Independent Directors*	Board of Directors / Executive Committee
Other Directors	Board of Directors
Senior Management	Recommendation of the Nomination and Remuneration Committee and approval of Board of Directors
Other Employee	Departmental Heads in consultation with Human Resources Head

*Sitting fee payable to the directors shall be in accordance with the provisions of the law.

D. Amendment: The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

For Eris Lifesciences Limited
Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 15th June 2022

Annexure 10

Information required under Section 197 of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary during the financial year 2021-22:

Sr. No.	Name of Director & KMP	Designation of Director & KMP	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2021-22 (including perquisite value of stock incentive exercised during the year)	% increase/(decrease) in remuneration in the FY 2021-22 * (including perquisite value of stock incentive exercised during the year)
1	Mr. Amit Indubhushan Bakshi	Managing Director	146.53	72%
2	Mr. Inderjeet Singh Negi	Whole time Director	37.20	1%
3	Mr. Kaushal Kamlesh Shah	Whole time Director	20.95	4%
4	Mr. Krishnakumar Vaidyanathan	Executive Director	126.95	12%
5	Mrs. Vijaya Sampath	Independent Director	20.39	313%
6	Mr. Prashant Gupta	Independent Director	19.67	298%
7	Ms. Kalpana Vasantrai Unadkat	Independent Director	14.25	390%
8	Mr. Rajeev Dalal	Independent Director	11.71	240%
9	Sachin Shah	CFO	41.81	18%
10	Milind Talegaonkar	Company Secretary	14.20	43%

* Includes sitting fees paid to Non-Executive Directors.

2. The percentage increase in the median remuneration of employees in the financial year: 2.96%

3. The number of permanent employees on the rolls of the Company as on 31st March, 2022: 3400

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

   The percentile increase in the managerial remuneration has been 21.97% which is higher than the change in the remuneration of employees other than constituting managerial remuneration which register an increase of 8.87%. The change in the remuneration of field staff is made as per their sales performance as per a documented increment structure uniformly applied to the field staff. The managerial function is concerned with more critical issues which influence and determine the survival, continued growth, and the business direction for the company. The managerial talent is scarce and hence its retention is even more important. Managerial personnel form executive management and remain accountable to all the stakeholders of the company for business performance as well as corporate governance and therefore need to demonstrate balance of judgement and mature decision making in the backdrop of fast changing and increasingly complex industry landscape. These reasons justify the higher increase in the managerial remuneration.

5. It is hereby affirmed that the remuneration paid is as per the Company's Remuneration Policy.

   Details pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Top 10 employees in terms of remuneration drawn during the year:

Name of Employee	Designation	Remuneration received	Qualifications	Experience	Date of commence-ment of employment	Age (Approx)	Last employment	Percentage of equity shares held by the employee
Amit Bakshi	Managing Director	4,59,99,936	Indian School Certificate examination	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 20 years experience in the pharmaceutical industry.	January, 2007	47 yrs	Intas Pharmaceuticals Limited	40.28
Krishnakumar Vaidyanathan	Executive Director & COO	3,98,53,015	MBA in finance and B. Tech	He has more than 20 years of professional experience across Lifesciences, Corporate Finance and Management Consulting.	December, 2020	48 yrs	Ernst & Young LLP	0
Alok Mahajan	Vice President	1,32,80,551	PGDM Marketing	He has previously worked in marketing field for more than 20 years	June, 2018	46 yrs	Ruchi Soya	Negligible
Deepak Kapoor	Senior Vice President	1,24,05,956	B.Sc, IIM Amedabad Crash course	He has more than 30 years experience in the Pharmaceutical industry in sales and marketing	February, 2020	58 yrs	Sun Pharma	0
Sachin Shah	CFO	1,31,26,435	Chartered Accountant	He has more than 11 years experience in Investment Banking and pharmaceutical industry.	January, 2013	42 yrs	Avendus Capital Private Limited	Negligible
Inderjeet Singh Negi	Wholetime Director	1,16,77,599	Bachelor's degree in science	He has more than 21 years of experience in the pharmaceutical industry	January, 2007	51 yrs	Intas Pharmaceuticals Limited	4.36
Vijay S. Joshi	President	1,56,65,425	Bachelor's degree in science	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 31 years experience in the pharmaceutical industry.	May, 2010	69 yrs	USV Group	Negligible

Santanu Rudra	Vice President	94,88,241	M Pharm	He has more than 26 years of experience in field of Pharmaceuticals.	August, 2018	52 yrs	Wockhardt Ltd.	0
Sabyasachi Sharma	Vice President	1,01,01,715	MBA (Marketing)	20 Years	3rd Sep 2008	43	ICICI Bank	Negligible
Chetan Doshi	Assistant Vice President	1,02,69,451	Diplomain Civil + Diploma in Marketing	33 Years	16 Aug 2007	54	ORG IMS Research Pvt. Ltd.	Negligible

- Employees mentioned above are neither relatives of any directors or managers of the Company.
- All appointments are/were contractual in accordance with terms and conditions as per Company rules.

2. Other Employee(s) drawing a remuneration of Rs. 1.02 Crore or above:

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
NIL									

3. Other Employee(s) Employed for part of the year with an average salary above Rs. 8.5 Lakh per month or above;

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age (Approx)	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
NIL									

4. Other Employee(s) employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age (Approx)	Last employmen	Percentage of equity shares held by the employee	Relation with Director, if any
NIL									

(All the details of remuneration given above are as per Form 16 as per Income Tax Act, and the ratios are calculated on that basis.)

For Eris Lifesciences Limited
Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, 15th June 2022

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

DISCLOSURE	INFORMATION/ REFERENCE
Corporate Identity Number of the Company	L24232GJ2007PLC049867
Name of the company	Eris Lifesciences Limited
Registered Address	Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev Ahmedabad 380054 IN
Website	https://eris.co.in/
Email id	complianceofficer@erislifesciences.com
Financial Year Reporting	Financial Year 2021-22
Sector(s) that the Company is engaged in (Industrial activity code wise)	Pharmaceuticals NIC Code- 2100
List three Key Products/ services that the Company manufactures/ provides (as in balance sheet).	Three key therapeutic areas in which the company operates are Anti-diabetics, Cardiac, nutritional supplements
Total Number of locations where business activity is undertaken by the Company –International or national	Our sales depots are widely located across the country. Up till now we have consciously chosen to focus on doing business at national level.
Markets served by the Company (Local/ State/ national/ international)	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

DISCLOSURE	INFORMATION/ REFERENCE
Paid-up Capital (Rs. in million)	Rs. 135.93/- As on 31st March, 2022
Total Turnover (Rs. in million)	Please refer to the financials section
Total profit after tax (Rs. in million)	Please refer to the financials section
Total spending on CSR (Rs. in million)	Refer CSR Report
List of activities in which CSR has been spent	1. Preventive medical screening at public places, sanitization, and promotion of vaccination; 2. Education

SECTION C : OTHER DETAILS

DISCLOSURE	INFORMATION/ REFERENCE
Subsidiaries of the Company	The Company has five subsidiaries as on 31st March, 2022: 1. Aprica Healthcare Limited (Previously known as UTH Healthcare Limited) 2. Eris M. J. Biopharm Private Limited (Previously known as Kinedex Healthcare Private Limited) 3. Eris Healthcare Private Limited 4. Eris Pharmaceuticals Private Limited 5. Eris Therapeutics Limited
Participation of subsidiaries in the Business Responsibility Initiatives	The Company impresses upon its subsidiaries to follow policies and practices to the extent applicable to it.
Participation of other entities (with which the Company does business) in the Business Responsibility Initiatives	Importance of doing business in a responsible and legally compliant manner is emphasized while dealing with all business partners.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

PART-1

(a) Details of Director/Directors responsible for BR:

DIN	Name	Designation
01255388	Inderjeet Singh Negi	Wholetime Director
01250925	Amit Indubhushan Bakshi	Managing Director
01229038	Kaushal Kamlesh Shah	Wholetime Director
08976508	Krishnakumar Vaidyanathan	Executive Director
00641110	Vijaya Sampath	Independent Director
08122641	Prashant Gupta	Independent Director
00222650	Rajeev Dalal	Independent Director
02490816	Kalpana Unadkat	Independent Director

(b) Details of BR Head:

Name: Inderjeet Singh Negi

DIN: 01255388

Designation: Wholetime Director

Telephone number: 079 6966 1000

E-mail id: Complianceofficer@erislifesciences.com

PART-2

Principle- wise (as per National Voluntary Guidelines) BR Policy (ies)

a. Details of compliance (Reply in Y/N)

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formulated in consultation with relevant stakeholders? Note1	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national / international standards? If yes, specify? Note2	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been 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
	Policies are formulated at functional level and recommended to Board or its applicable committee for information and/or approval as the case may be. Signed copies thereof are issued on an 'as needed' basis by the MD or other KMPs.								
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
Indicate the link for the policy to be viewed online? Note3	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy been formally communicated to all relevant internal and external stakeholders? Note4	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the company have in-house structure to implement the policy(ies)	Y	Y	Y	Y	Y	Y	Y	Y	Y
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
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

Note 1. The Policies have been formulated in consultation with the applicable stakeholders.

Note 2. The Policies are based on and are in compliance with the applicable regulatory requirements.

Note 3. The Policies of the Company are available on the website of the Company http://eris.co.in/policies/ and the internal policies are available on the intranet of the Company.

Note 4. The Policies have been communicated to the internal / external stakeholders depending upon their applicability to them.

Principle Wise Policy index:

P1	P2	P3	P4	P5	P6	P7	P8	P9
Code of Conduct Policy for Directors, Senior Management Personnel, Eris Code of Conduct Policy, Whistle Blower Policy, Prevention of Sexual Harassment Policy, Anti Bribery Policy, Policy And Procedure For Inquiry In Case Of Leak Or Suspected Leak of Unpublished Price Sensitive Information	Eris Code of Conduct Policy	Code of Conduct Policy for Directors, Senior Management Personnel, Whistle Blower Policy, Prevention of Sexual Harassment Policy, Eris Code of Conduct Policy, Internal Policies of HR (Loan Policy, Maternity Leave Policy, etc.)	CSR Policy	Whistle Blower Policy, Prevention of Sexual Harassment Policy, CSR Policy	CSR Policy	Anti Bribery Policy	CSR Policy	Eris Code of Conduct Policy

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
The company has not understood the Principles									
The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	Not Applicable								
The company does not have financial or manpower resources available for the task									
It is planned to be done within next 6 months						Not Applicable			
It is planned to be done within the next 1 year									
Any other reason (please specify)									

PART-3 Governance related to BR

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

The Board of Directors, its Committees, and KMP's assess the BR implications of every company action on a continuing basis.

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

Company's Annual Report includes Business Responsibility Report. The copy of the same is available on the website of the Company www.eris.co.in

SECTION E : PRINCIPLE WISE PERFORMANCE

PRINCIPLE 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?	No, it extends to all subsidiaries.
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.	Nil

PRINCIPLE 2	
List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities	All the products and processes of the company are designed with due sensitivity to social and environmental concerns and risks.
For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The stated parameters in our case cannot be quantified with certainty.
Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably?	The company accords preference to local procurements. The rate of replenishment of resources are always borne in mind while sourcing all inputs.
Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Procurement of services from local providers belonging to the communities surrounding our places of work is always encouraged. Similarly the provider pool is kept wide and new / emerging providers are accorded preference. This preferential treatment in itself generates assurance about continuing business opportunities and encourages entrepreneurship at small/ medium level.
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 10%).	This aspect is regulated by applicable Bio-medical waste management.

PRINCIPLE 3	
Please indicate the Total number of employees	3400
Please indicate the Total number of employees hired on temporary/contractual/casual basis	219
Please indicate the Number of permanent women employees	95
Please indicate the Number of permanent employees with disabilities	Nil
Do you have an employee association that is recognized by management	0
What percentage of your permanent employees is members of this recognized employee association?	0
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.	Nil
What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	
(a) Permanent Employees	Safety Training 100%, Skill Upgradation Training 70%
(b) Permanent Women Employees	Safety Training 100%, Skill Upgradation Training 70%
(c) Casual/Temporary/Contractual Employees	50%
(d) Employees with Disabilities	0%

PRINCIPLE 4	
Has the company mapped its internal and external stakeholders?	Yes
Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes
Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	The north-eastern states have by far remained desolate and unconnected from the developments in the rest of the country. The choice of setting up a manufacturing plant in Guwahati was guided, to a large extent, by the desire to bring about improvement in the socio-economic condition of the region.

PRINCIPLE 5	
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 policies of company are applicable to the group.
How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

PRINCIPLE 6	
Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	The said policies extend to the whole group
Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?	Company endeavors to remain compliant with the letter and spirit of all environmental laws.
Does the company identify and assess potential environmental risks?	Yes
Does the company have any project related to Clean Development Mechanism?	Not applicable for the year under review.
Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc	The operations of the Company being not very energy intensive, the point is not applicable to the company for the year under review.
Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

PRINCIPLE 7	
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, Indian Drug Manufacturers' Association
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)	Not yet.

PRINCIPLE 8	
Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	The choice of location of the company's manufacturing unit in the north eastern state was based to a large extent on this principle.
Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	A mix of both.
Have you done any impact assessment of your initiative?	Not required
What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.	Please refer CSR Report.
Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Please refer CSR Report.

PRINCIPLE 9	
What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Nil
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)	N.A. Claims / information in respect of pharmaceutical products are regulated by applicable laws. Such laws are duly complied with.
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.	Nil
Did your company carry out any consumer survey/ consumer satisfaction trends?	There are specialised agencies which perform this activity. Your company avails their services

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ERIS LIFESCIENCES LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eris Lifesciences Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 standalone 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, 2022, 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 standalone 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 Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Carrying value of investments in subsidiaries**	**Principal audit procedures performed:**
	Refer note 3 to the Standalone Financial Statements. Investments in subsidiaries of Rs. 2,573.32 million are accounted for at cost less impairment, if any, in the Standalone Balance Sheet as at March 31 2022. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. Significant Management judgement is required in the area of impairment testing, particularly in assessing: (1) whether an event has occurred that may indicate that the investment values may not be recoverable; (2) whether the carrying value of investments can be supported by the recoverable amount, being the higher of fair value less costs to sell or the net present value of future cash flows which are estimated based on the continued use of the asset in the business;	1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive testing procedures included evaluation of appropriateness of management's judgement whether any indicators of impairment existed by reviewing financial and other available information / data of the subsidiaries as at March 31, 2022. 3. For those investments where indicators of impairment existed, we have examined management's judgement in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections.

	(3) the appropriateness of key assumptions to be applied in valuation including whether appropriate revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company. In view of the foregoing, valuation and allocation of investments in subsidiaries has been identified as a Key Audit Matter.	
2.	**Carrying values of acquired intangibles assets**	**Principal audit procedures performed:**
	Refer note 2(b) to the Standalone Financial Statements. As at March 31, 2022, the Company had Rs. 4,691.57 million of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of useful life and assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the standalone financial statements of the Company. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive testing procedures included evaluation of appropriateness of management's estimate in determination of useful life and judgement whether any indicators of impairment existed. 3. For those investments where indicators of impairment existed, we have examined management's judgement in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report in Annual Report for the year ended March 31, 2022 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 Standalone 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 standalone 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 standalone 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 standalone 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 standalone financial statements.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 21107723AAAAHP4546)

Mumbai, June 15, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

(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 Eris Lifesciences Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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, 2022, 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)

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 21107723AAAAHP4546)

Mumbai, June 15, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties,(Other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (As amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the in formation and explanations given to us, statements comprising stock statements, statements on ageing analysis of the debtors, and other stipulated financialinformation filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarter and no material discrepancies have been observed.

(iii) The Company has made investments in and granted unsecured loans, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

	Loan (Rs. in millions)
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	605.78
- Others	178.50
B. Balance outstanding as at balance sheet date:*	
- Subsidiaries	311.26
- Others	239.04

* The amounts reported are at gross amounts, without considering provisions made.

The Company has not provided any advances in nature of loan, guarantee or security to Subsidiaries or any other parties during the year.

(b) The investment made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) During the year loans aggregating to Rs. 41.12 million fell due from certain parties which has been renewed. The details of such loans that fell due and renewed granted during the year are stated below:

	Loan (Rs. in millions)
A. Aggregate amount of dues of existing loans renewed:	
- Subsidiaries	-
- Others	Rs. 41.12 million
B. Percentage of the aggregate to the total loans granted during the year:	
- Subsidiaries	-
- Others	5.24%

(f) The Company has granted Loans which are repayable on demand details of which are given below:

			(Rs. in millions)
	All Parties*	Related Parties*	Others*
Aggregate of loans/advances in nature of loans - Repayable on demand (A)	784.28	605.78	178.50
Percentage of loans/advances in nature of loans to the total loans	100%	77.24%	22.76%

* The amounts reported are at gross amounts, without considering provisions made.

(iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made, as applicable. The Company has not provided any guarantee or securities that are covered under the provisions of sections 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposit or amounts which are deemed to be Deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, pre scribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in million)	Amount Unpaid (Rs. in million)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2016-2017	0.80	0.80
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2017-2018	0.26	0.26

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of paragraph 3 of the order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of paragraph 3 of the order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of paragraph 3 of the order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the paragraph 3 of the order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of paragraph 3 of order is not applicable to the Company.

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

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the order is not applicable.

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

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to (December 2021) and the internal audit report where issued after the balance sheet date covering the period (January 2022 to March 2022) for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of it's subsidiary companies or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) WThe Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the

evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

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

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 21107723AAAAHP4546)

Mumbai, June 15, 2022

STANDALONE BALANCE SHEET
as at March 31, 2022

(₹. In Million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS :			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2(a)	998.30	728.36
(b) Right-of-use asset	2(a)	461.84	23.46
(c) Goodwill	2(b)	166.60	166.60
(d) Other Intangible assets	2(b)	4,793.29	4,924.81
(e) Intangible assets under development	2(b)	29.82	15.55
(f) Financial assets			
Investments	3	6,781.76	4,809.69
Loans	10	28.20	49.49
Other financial asset	5	43.85	450.10
(g) Income tax assets (net)	4(d)	34.67	34.63
(h) Deferred tax assets (net)	4(f)	2,361.11	1,967.47
(i) Other non-current assets	6	4.63	141.55
Total Non Current Assets		**15,704.07**	**13,311.71**
(2) Current Assets			
(a) Inventories	7	847.91	648.46
(b) Financial assets			
Investments	3	995.46	503.97
Trade receivables	8	1,375.55	1,137.57
Cash and cash equivalents	9(a)	447.04	313.48
Other bank balances	9(b)	14.01	13.10
Loans	10	522.10	351.60
Other financial asset	5	673.14	464.85
(c) Other current assets	6	924.88	803.30
Total Current Assets		**5,800.09**	**4,236.33**
TOTAL- ASSETS		**21,504.16**	**17,548.04**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.93	135.78
(b) Other Equity	12	19,049.63	15,618.89
Total Equity		**19,185.56**	**15,754.67**

(₹. In Million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
(2) Non Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	13	345.04	33.03
(b) Long-term provisions	14	288.38	290.86
(c) Other non-current liabilities	15	22.82	24.92
Total Non Current Liabilities		**656.24**	**348.81**
(3) Current Liabilities			
(a) Financial Liabilities			
Lease Liabilities	13	36.73	20.39
Trade payables	16		
A) Due to Micro and Small Enterprises		41.49	44.46
B) Due to other than Micro and Small Enterprises		926.21	822.61
Other financial liabilities	13	59.81	74.90
(b) Short-term provisions	14	377.82	268.69
(c) Other current liabilities	15	169.52	138.44
(d) Income tax liabilities (net)	4(e)	50.78	75.07
Total Current Liabilities		**1,662.36**	**1,444.56**
Total Liabilities		**2,318.60**	**1,793.37**
TOTAL- EQUITY AND LIABILITIES		**21,504.16**	**17,548.04**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
REVENUE:			
Revenue from operations			
Sale of products	17	11,937.73	10,886.45
Other operating income		219.57	201.89
Total Revenue from Operations		**12,157.30**	**11,088.34**
Other income	18	289.89	99.98
Total Revenue (I)		**12,447.19**	**11,188.32**
EXPENSES:			
(a) Cost of materials consumed	19	1,175.73	994.26
(b) Purchases of stock-in-trade		795.88	1,116.54
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	24.90	(125.69)
(d) Employee benefits expense	21	2,221.82	2,070.16
(e) Other expenses	22	3,099.02	2,859.93
Total (II)		**7,317.35**	**6,915.20**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,129.84**	**4,273.12**
Finance costs	23	29.91	7.78
Depreciation and amortisation expense	2 & 39	514.55	376.40
Profit before tax		**4,585.38**	**3,888.94**
Tax expenses:	4		
(a) Current tax		801.72	701.84
(b) Deferred tax		(388.26)	(318.95)
Total tax expense		**413.46**	**382.89**
Profit for the year		**4,171.92**	**3,506.05**

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(15.44)	(19.67)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		5.39	6.87
		(10.05)	**(12.80)**
Total Comprehensive Income for the year		**4,161.87**	**3,493.25**
Earnings per equity share of face value ₹1 each			
Basic (₹)	24	30.70	25.82
Diluted (₹)		30.70	25.80

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	4,585.38	3,888.94
Adjustments for:		
Depreciation and amortisation expense	514.55	376.40
Net Loss on property plant and equipment sold/written off	42.54	0.06
Finance costs	29.91	7.78
Interest income	(99.09)	(38.81)
Provision for doubtful debt / other financial assets	(1.52)	65.10
Bad debt written off	0.02	-
Deferred Capital Subsidy	(4.83)	(9.91)
Net gain on sale of investments	(21.73)	(28.55)
Net gain on investments carried at fair value through profit or loss	(144.36)	(21.22)
Gain from termination of lease	(18.68)	(0.98)
Share based payment expense	13.55	11.20
Operating profit before working capital changes	**4,895.74**	**4,250.01**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(237.98)	265.65
Inventories	(199.45)	6.14
Other asset	(140.07)	131.53
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	100.47	(32.15)
Financial Liabilities	(20.60)	42.38
Provisions	91.21	0.98
Other Liabilities	33.80	(30.10)
Cash generated from operations	**4,523.12**	**4,634.44**
Net income tax paid	(829.00)	(680.35)
Net cash flow from operating activities (A)	**3,694.12**	**3,954.09**

STANDALONE STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(532.83)	(256.16)
Proceeds from sale of property plant and equipment	7.58	0.38
Consideration paid towards investment in subsidiary	(250.08)	-
Investments in mutual funds and fixed deposit	(2,676.49)	(3,720.50)
Proceeds from redemption of mutual funds and Shares	795.87	769.15
Proceeds from redemption of investments in Bonds of subsidiaries	50.00	55.00
Loan given to Subsidiaries	(38.03)	(319.64)
Loan repaid by Subsidiaries	46.41	10.00
Loan to Others repayment received	3.08	1.11
Loan to Others given	(159.15)	(30.00)
Bank balances not considered as cash and cash equivalents-Placed	(0.91)	(12.91)
Interest income	78.19	24.93
Net cash flow used in investing activities (B)	**(2,676.36)**	**(3,478.64)**
C. Cash flow from financing activities		
Finance costs	(26.98)	(7.57)
Lease payment	(112.95)	(56.92)
Shares issued on exercise of employees stock options	67.45	-
Share application money	4.51	-
Dividend paid	(816.23)	(746.79)
Net cash used in financing activities (C)	**(884.20)**	**(811.28)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**133.56**	**(335.83)**
Cash and cash equivalents at the beginning of the year	**313.48**	**649.31**
Cash and cash equivalents at end of the year {Refer note-9(a)}	**447.04**	**313.48**

STANDALONE STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹. In Million)

Cash on hand	0.78	0.43
Balance with banks		
In Current Account	341.10	262.31
Cheque in hand	105.16	50.74
Cash and Cash Equivalents as per Cash flow statement	**447.04**	**313.48**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

A. Equity Share Capital	(₹. In Million)
Particulars (refer note-11)	**Amount**
As at March 31, 2020	**135.78**
Change in Equity Share Capital	-
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**

B. Other Equity (₹. In Million)

Particulars (refer note-12)	Retained Earnings	Security Premium	Share based payment reserve	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2020	**12,830.93**	**-**	**28.56**	**-**	**1.74**	**12,861.23**
Add: Proft for the year	3,506.05	-	-	-	-	3,506.05
Add: Other comprehensive Income for the year	(12.80)	-	-	-	-	(12.80)
Less: Payment of Dividend	(746.79)	-	-	-	-	(746.79)
Add: Share based payments to employees of the company	-	-	11.20	-	-	11.20
As at March 31, 2021	**15,577.39**	**-**	**39.76**	**-**	**1.74**	**15,618.89**
Add: Proft for the year	4,171.92	-	-	-	-	4,171.92
Less: Payment of Dividend	(816.48)	-	-	-	-	(816.48)
Add: Other comprehensive Income for the year	(10.05)	-	-	-	-	(10.05)
Add: Pursuant to Issue of share capital on account of exercie of options	-	67.29	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-
Add: Share based payments to employees of the company	-	-	13.55	-	-	13.55
As at March 31, 2022	**18,922.78**	**106.13**	**14.47**	**4.51**	**1.74**	**19,049.63**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at Shivarth Ambit, Plot No. 142/2, Ram Dass Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad-380054, Gujarat, India. The Company is engaged in the manufacture and marketing of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1. Basis of preparation:

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Historical Cost Convention

"The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Critical Accounting Judgements And Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.3)
- Useful lives of property, plant and equipment (refer note 1.4)
- Useful lives of intangible assets (refer note 1.5)
- Impairment of asset (refer note 1.8)
- Valuation of inventories (refer note 1.9)
- Employee benefits (refer note 1.13)
- Valuation of deferred tax assets (refer note 1.14)
- Provisions & contingent liabilities (refer note 1.15)
- Impact of COVID on Business and Financial statements (refer note 25)

1.3 Revenue recognition:

a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

   Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used toestimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, pasexperience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/ construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than freehold land and capital work-in progress) is recognised using the Written Down Value method upto March 31, 2021 and by using Straight-line method w.e.f. April 01, 2021. Depreciation is recognised based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use. (Refer note 39)

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

1.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

"Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below (Refer note 39):

Type of intangible assets	Useful life
Trademark/Brands	Upto 50 years - upto March 31, 2021
	Upto 20 years from April 01, 2021.
License Fees	From 3 to 10 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.6 Business combinations and Goodwill

1.6.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.6.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.7 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument'is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments - The company measures equity investments other than investments in subsidiaries at FVTPL in accordance with the requirements of IND AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per IND AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.8 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.9 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance an receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.10 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the company's cash management.

1.11 Borrowings cost:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.12 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the profit or loss attributable to the owners of the company by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.13 Employee Benefits:

(A) Defined contribution plan:

The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.14 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.16 Leases:

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer Note 33)

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.17 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.18 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.19 Perpetual bond :

The company invests in unsecured subordinated perpetual securities. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

1.20 Share-based payment transactions:

Employees Stock Options Plans (ESOP) : Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Amendments to existing Ind AS:

Ind AS 16 – Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

Note 2: Property, Plant and Equipment and Intangible Assets
(a) Property, Plant and Equipment :

(₹. In Million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electrical Installation	Lease hold improvments	Total	Right of use asset (Refer note 33)
Gross carrying amount:										
As at March 31, 2020	**22.98**	**325.97**	**355.68**	**137.78**	**332.97**	**140.44**	**36.12**	**-**	**1,351.94**	**176.93**
Additions during the Year	-	-	0.62	50.74	80.81	29.78	-	-	161.95	5.84
Deductions during the Year	-	-	1.32	-	0.12	-	-	-	1.44	-
As at March 31, 2021	**22.98**	**325.97**	**354.98**	**188.52**	**413.66**	**170.22**	**36.12**	**-**	**1,512.45**	**182.77**
Additions during the Year	-	-	2.37	3.66	310.76	68.82	-	84.80	470.41	494.61
Deductions during the Year	-	-	-	1.01	212.10	104.41	0.24	-	317.76	172.23
As at March 31, 2022	**22.98**	**325.97**	**357.35**	**191.17**	**512.32**	**134.63**	**35.88**	**84.80**	**1,665.10**	**505.15**
Accumulated depreciation:										
As at March 31, 2020	**-**	**71.09**	**132.88**	**75.26**	**216.24**	**61.42**	**6.04**	**-**	**562.93**	**125.69**
Depreciation for the Year	-	23.56	46.86	24.32	84.27	35.37	7.78	-	222.16	33.62
Deductions during the Year	-	-	0.94	-	0.06	-	-	-	1.00	-
As at March 31, 2021	**-**	**94.65**	**178.80**	**99.58**	**300.45**	**96.79**	**13.82**	**-**	**784.09**	**159.31**
Depreciation for the Year*	-	8.13	16.36	12.75	87.63	19.07	2.54	3.92	150.40	42.41
Deductions during the Year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	**-**	**102.78**	**195.16**	**111.46**	**210.52**	**26.84**	**16.12**	**3.92**	**666.80**	**43.31**
Net carrying amount										
As at March 31, 2021	**22.98**	**231.32**	**176.18**	**88.94**	**113.21**	**73.43**	**22.30**	**-**	**728.36**	**23.46**
As at March 31, 2022	**22.98**	**223.19**	**162.19**	**79.71**	**301.80**	**107.79**	**19.76**	**80.88**	**998.30**	**461.84**

* Refer note 39

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(b) Intangible Assets:

(₹. In Million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand/ License fees	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2020	**166.60**	**5,181.10**	**50.00**	**29.95**	**5,261.05**
Additions during the year	-	0.01	-	45.87	45.88
Deductions during the Year	-	-	-	-	-
As at March 31, 2021	**166.60**	**5,181.11**	**50.00**	**75.82**	**5,306.93**
Additions during the year		125.00	-	65.22	190.22
Deductions during the Year		-	-	-	-
As at March 31, 2022	**166.60**	**5,306.11**	**50.00**	**141.04**	**5,497.15**
Accumulated Amortisation:					
As at March 31, 2020	**-**	**213.38**	**36.46**	**11.66**	**261.50**
Amortisation for the Year	-	103.79	10.00	6.83	120.62
As at March 31, 2021	**-**	**317.17**	**46.46**	**18.49**	**382.12**
Amortisation for the Year*	-	297.37	3.54	20.83	321.74
As at March 31, 2022	**-**	**614.54**	**50.00**	**39.32**	**703.86**
Net carrying amount					
As at March 31, 2021	**166.60**	**4,863.94**	**3.54**	**57.33**	**4,924.81**
As at March 31, 2022	**166.60**	**4,691.57**	**-**	**101.72**	**4,793.29**
Intangible assets under development					
As at March 31, 2021	**-**	**-**	**-**	**15.55**	**15.55**
As at March 31, 2022	**-**	**-**	**-**	**29.82**	**29.82**

* Refer note 39

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note:
Capital-Work-in Progress / Intangible Assets under Development:

Ageing Schedule (₹. In Million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		14.27	12.12	3.43	-	29.82
Projects in Progress	March 31,2021	12.12	3.43	-	-	15.55
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		**12.12**	**3.43**	**-**	**-**	**15.55**

Capital work in progress / Intantible assets under development - Completion Schedule

(₹. In Million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		26.39	-	3.43	-	29.82
Projects in progress	March 31,2021	-	12.12	-	3.43	15.55
Total		**-**	**12.12**	**-**	**3.43**	**15.55**

1. The Company tests impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

   The key assumptions for CGUs with significant amount of goodwill as follows:

   Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

   Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹166.60 million generated on acquisition of brands.

   The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 3: Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Non current investments				
(I) At cost				
(A) Investment in subsidiaries				
(a) In equity instruments of subsidiaries (unquoted) (fully paid up) (Refer note 26)				
Equity shares of ₹10 each held in Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited) (Refer note 3.3 below)	1,82,504	56.92	1,82,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	73,45,361	1,166.32	73,45,361	1,166.32
Equity shares of ₹10 each held in Eris Healthcare Private Limited	43,33,331	900.00	43,33,331	900.00
Equity shares of ₹10 each held in Eris Therapeutics Limited	10,000	0.10	-	-
(b) In preference shares of subsidiaries (unquoted) (fully paid up)				
0.01% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹100 each held in Eris Therapeutics Limited	24,75,000	249.98	-	-
(c) In Unsecured Perpetual Securities of subsidiaries (Refer note 26 & 3.2 below)				
Perpetual securities of ₹10 each held in Aprica Healthcare Limited (Formerly Known as UTH Healthcare Limited)	2,00,00,000	200.00	2,50,00,000	250.00
Sub Total A=(a+b+c)		**2,573.32**		**2,373.24**
(B) Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.29	500	5.00
Sub Total B		**5.29**		**5.00**
Sub Total (I) = A+B		**2,578.61**		**2,378.24**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	426.11	3,47,183	401.71
ABSL Banking PSU Fund Growth Direct	4,07,032	123.87	1,72,981	50.12
HDFC Ultra Short Fund Direct Growth	6,25,59,806	776.54	3,35,59,812	400.68
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	399.92	99,74,232	381.92
ABSL Low Duration Fund Growth Direct		-	6,44,241	355.67
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	371.01	8,47,618	355.74
ABSL Floating Rate Fund -Growth Direct	12,92,840	366.58	-	-
Kotak Savings Fund Direct Plan Growth	1,17,69,499	424.06	-	-
SBI Magnum Ultra Short Duration Fund - Growth Direct	1,64,707	806.58	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	476.36	2,96,98,080	453.42
		4,171.03		**2,399.26**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.18	1,000	1.21
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.16	1,000	1.19
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.16	1,000	1.17
		3.50		**3.57**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
		28.62		**28.62**
Sub Total (II) = A+B+C		**4,203.15**		**2,431.45**
Total (I)+(II)		**6,781.76**		**4,809.69**
Current investments				
(I) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	1,71,801	572.63	72,092	232.25
HDFC Liquid Fund Direct Plan Growth Option	1,01,041	422.83	67,165	271.72
Total (I)		**995.46**		**503.97**
Aggregate carrying value of quoted investments		3.50		3.57
Aggregate market value of quoted investments		3.50		3.57
Aggregate carrying value of unquoted investments		7,773.72		5,310.09

3.1 Details of pledged securities:

Include ₹350.00 million (31-03-2021 - ₹350.00 million) marked under lien against overdraft facilities availed by the company.

3.2 Details of perpetual securities:

In the financial year 2018-19, the company has invested in unsecured subordinated perpetual securities issued by Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited), its subsidiary company. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

3.3 Lock in period for Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited)

As per share purchase & shareholders agreement, For a period of 10 (ten) years , Eris Lifesciences Limited and M.J. Biopharm Private Limited shall not, directly or indirectly, transfer or attempt to transfer all or any of the Equity Shares (or any interest therein) held by it to any Person.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 4: Income Taxes

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	801.72	701.84
Deferred tax:		
Deferred tax (benefit) for current year	(388.26)	(318.95)
	413.46	**382.89**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(5.39)	(6.87)
	(5.39)	**(6.87)**
(c) Reconciliation of tax expense:		
Profit before income taxes	4,585.38	3,888.94
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,602.32	1,358.95
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.48	77.55
Effect of income exempt from taxation	(1.23)	(0.93)
Tax incentives	(1,214.58)	(1,056.82)
Adjustment of current tax of prior year	(9.50)	2.59
Others (net)	(34.42)	(5.32)
Adjusted income tax expense	**408.07**	**376.02**
Effective Tax Rate	**8.90%**	**9.67%**

(d) Income Tax Assets:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	34.63	34.47
Less: Prior period adjustment	-	0.51
Add: Tax paid in advance, net of provisions/(Refund) during the year	0.04	0.67
Closing Balance	**34.67**	**34.63**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(e) Income Tax Liabilities:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	75.07	53.42
Add: Prior period adjustment	(6.55)	2.08
Add: Current tax payable for the year	811.22	699.25
Less: Taxes paid	(828.96)	(679.68)
Closing Balance	**50.78**	**75.07**

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(f) Deferred tax relates to :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	69.87	134.26
Minimum Alternate Tax credit entitlement	3,369.95	2,768.02
Employee benefits	43.55	53.10
Other	23.66	17.32
	3,507.03	**2,972.70**
Deferred tax liabilities		
Intangible assets	1,092.13	1,000.70
Fair Valuation of Investment	53.79	4.53
	1,145.92	**1,005.23**
Total	**2,361.11**	**1,967.47**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	Property, plant and equipments	Minimum Alternate Tax credit entitlement	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :							
At March 31, 2020	**140.63**	**2,197.76**	**66.55**	**(758.97)**	**(5.58)**	**1.26**	**1,641.65**
Charged/(Credited)							
- To Profit or Loss	6.37	(570.26)	20.32	241.73	(1.05)	(16.06)	(318.95)
- To other comprehensive Income	-	-	(6.87)	-	-	-	(6.87)
At March 31, 2021	**134.26**	**2,768.02**	**53.10**	**(1,000.70)**	**(4.53)**	**17.32**	**1,967.47**
Charged/(Credited)							
- To Profit or Loss	64.39	(601.93)	14.94	91.43	49.26	(6.34)	(388.25)
- To other comprehensive Income	-	-	(5.39)	-	-	-	(5.39)
At March 31, 2022	**69.87**	**3,369.95**	**43.55**	**(1,092.13)**	**(53.79)**	**23.66**	**2,361.11**

Note 5: Other Financial Assets

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Security deposits	43.85	27.40
Fixed Deposits	-	422.70
	43.85	**450.10**
Current		
Insurance claim receivable	0.54	2.09
Fixed Deposits	618.99	412.78
Interest accrued	18.27	7.59
Security deposits	29.59	36.04
Receivable on sale of Investment in subsidiary	-	
- Considered Good		
- Considered doubtful	-	12.00
Less: Allowance for doubtful of recovery	-	(12.00)
Claims and Other receivables		
- Considered Good	5.75	6.35
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	673.14	**464.85**
	716.99	**914.95**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 6: Other Assets

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital Advances	4.63	141.55
	4.63	**141.55**
Current		
Prepaid expenses	185.10	53.59
Balances with government authorities		
Goods and services tax credit receivable	151.22	187.35
Others	4.36	2.14
Advances to supplier	584.00	556.88
Advances to employees	0.20	3.34
	924.88	**803.30**
Total	**929.51**	**944.85**

Note 7: Inventories
(At lower of cost and net realisable value)

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material and Packing Material {including goods-in-transit ₹11.83 million (March 31, 2021 - ₹2.03 million)}	387.84	168.64
Work-in-progress	19.78	26.42
Finished goods	232.51	252.16
Stock-in-trade {including goods-in-transit ₹35.72 million (March 31, 2021- ₹9.59 million)}	199.76	198.37
Stores, spares & consumables	8.02	2.87
Total	**847.91**	**648.46**

Note 8: Trade receivables

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Considered good	-	-
Unsecured Considered good	1,375.55	1,137.57
Trade Receivables which have significant increase in Credit Risk	17.09	17.09
Trade Receivables-credit impaired	8.09	8.09
	1,400.73	**1,162.75**
Less: Allowance for doubtful debt (expected credit loss)	25.18	25.18
Total	**1,375.55**	**1,137.57**

No dues from directors.
For dues from subsidiaries please refer note 29.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Movements in allowance for doubtful trade receivables	As at March 31, 2022	As at March 31, 2021
Opening Balance	25.18	20.18
Add : Provision during the year	-	5.00
Less : Utilisation during the year	-	-
Closing Balance	**25.18**	**25.18**

Trade Receivable ageing schedule:

(₹. In Million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2022	-	1,082.89	290.38	2.14	0.14	-	-	1,375.55
	March 31,2021	-	1,025.73	109.26	2.22	0.36	-	-	1,137.57
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	17.09	-	-	-	-	17.09
	March 31,2021	-	-	17.09	-	-	-	-	17.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
	March 31,2021	-	-	-	-	5.56	0.09	2.44	8.09
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
Total	**March 31,2022**	**-**	**1,082.89**	**307.47**	**2.14**	**0.73**	**5.28**	**2.22**	**1,400.73**
	March 31,2021	**-**	**1,025.73**	**126.35**	**2.22**	**5.92**	**0.09**	**2.44**	**1,162.75**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 9: Cash and cash equivalents

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand	0.78	0.43
Balances with banks in current accounts*	341.10	262.31
Cheque in hand	105.16	50.74
	447.04	**313.48**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender Deposit	14.01	13.10
Total	**461.05**	**326.58**

*Includes Unclaimed Dividend of ₹0.76 million (Previous year ₹0.45 million).

Note 10: Loans

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Loans Receivables considered good - Unsecured	28.20	49.49
	28.20	**49.49**
Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	311.26	319.64
To others	210.84	31.96
Loans Receivables from others which have significant increase in Credit Risk	3.67	5.19
Loans Receivables - credit impaired	-	-
	525.77	**356.79**
Less: Allowance for doubtful loan to others	(3.67)	(5.19)
	522.10	**351.60**
Total	**550.30**	**401.09**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 11: Share capital

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,30,197 (Previous year 13,57,80,653) Equity Shares of ₹1 each fully paid up	135.93	135.78
Total	**135.93**	**135.78**

11.1 : Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	(₹. In Million)
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 34)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93

11.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,47,59,132	40.28%	5,46,98,423	40.28%
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.54%	1,56,84,407	11.55%
3. Bhikhalal Chimanlal Shah	88,68,689	6.52%	88,92,430	6.55%
4. Emerald Investments Limited	74,77,132	5.50%	74,77,132	5.51%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2022			As at March 31, 2021	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	5,47,59,132	40.28%	0.11%	5,46,98,423	40.28%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%
5. Himanshu Jayantbhai Shah	4,75,801	0.35%	-80.63%	24,57,011	1.81%

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

11.4 Terms / Rights attached to the equity shares:
The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 their shareholding.

11.5 Share options granted under the Company's employee share option plan:
The Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Buy back of shares:
During the financial year 2019-20, as on January 22, 2020, the Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7 Dividend:
The Board of Directors of the Company has declared and paid an interim dividend of ₹ 6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on July 29, 2021.

Note 12: Other Equity

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	18,922.77	15,577.39
Securities premium	106.13	-
Share Application Money Pending Allottment	4.51	-
Share based payment reserve	14.48	39.76
Capital redemption reserve	1.74	1.74
Total	**19,049.63**	**15,618.89**

Nature and purpose of reserves:

Retained Earnings: Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve: The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve: The Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Security premium: The amount received in excess of the par value of equity shares has been classified as securities premium.

Interim Dividend: The Board of Directors of the Company has declared and paid an interim dividend of ₹6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on July 29, 2021.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 13: Other financial liabilities

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
(a) Lease Liabilities		
Lease Liabilities	345.04	33.03
	345.04	**33.03**
Current		
(a) Lease Liabilities		
Lease Liabilities	36.73	20.39
	36.73	**20.39**
(b) Other financial liabilities		
Book overdraft *	49.63	70.23
Dividend Payable	0.76	0.45
Payable towards purchase of fixed assets	9.42	4.22
	59.81	**74.90**
	96.54	**95.29**
Total	**441.58**	**128.32**

* Mutual funds are marked as lien against OD Limit (Refer note 3).

Note 14: Provisions

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	59.55	62.87
Provision for sales returns (Refer note below)	228.83	227.99
	288.38	**290.86**
Short Term		
Provision for employee benefits (Refer note-27)		
Compensated absences	33.33	35.84
Gratuity	17.28	13.49
Provision for sales returns (Refer note below)	327.21	219.36
	377.82	**268.69**
Total	**666.20**	**559.55**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Provision for sales returns:
The Company, as a trade practice, accepts returns from market. Provision is made for such sales returns on the basis of historical experience, market conditions and specific contractual terms.

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Provision	**447.35**	**377.02**
Add: Provision during the year	355.47	240.40
Less: Utilisation during the year	246.78	170.07
Closing Provision	**556.04**	**447.35**
Long Term	228.83	227.99
Short Term	327.21	219.36
Total	**556.04**	**447.35**

Note 15: Other liabilities

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Capital Subsidy Non current*	22.82	24.92
	22.82	**24.92**
Current		
Statutory liabilities	139.49	118.09
Advances from customers	25.18	12.78
Deferred Capital Subsidy Current*	4.85	7.57
	169.52	**138.44**
Total	**192.34**	**163.36**

*Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 16: Trade payables

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (refer note- 35)	41.49	44.46
Due to others	926.21	822.61
Total	**967.70**	**867.07**

Trade Payable ageing schedule:

(₹. In Million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2022	-	15.59	25.90	-	-	-	41.49
	March 31,2021	-	16.58	27.88	-	-	-	44.46
(ii) Others	March 31,2022	-	640.08	283.64	-	0.04	2.45	926.21
	March 31,2021	-	446.18	372.29	1.41	0.03	2.70	822.61
(iii) Disputed dues - MSME	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2022	-	-	-	-	-	-	-
	March 31,2021							
Total	**March 31,2022**	**-**	**655.67**	**309.54**	**-**	**0.04**	**2.45**	**967.70**
	March 31,2021	**-**	**462.76**	**400.17**	**1.41**	**0.03**	**2.70**	**867.07**

Note 17: Revenue from operations

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of products (Refer note 37)	**11,937.73**	**10,886.45**
Other operating income		
Goods and Services Tax refund	206.41	189.76
Others	13.16	12.13
	219.57	**201.89**
Total	**12,157.30**	**11,088.34**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Revenue as per contracted price, net of returns	12,325.62	11,160.49
Less : Provision for sales return	355.47	240.40
Less : Scheme, discount and others	32.42	33.64
Revenue from contracts with customers	11,937.73	10,886.45

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 18: Other income

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest income	99.09	38.81
Net gain on sale of investments	21.73	28.55
Net (loss) / gain on investments carried at fair value through profit or loss	144.36	21.22
Deferred Capital Subsidy (Refer note 18.1)	4.83	9.91
Gain on termination of lease	18.68	0.98
Miscellaneous income	1.20	0.51
Total	**289.89**	**99.98**

18.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

Note 19: Cost of material consumed

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw materials and packing materials		
Opening stock	168.64	300.47
Add: Purchases during the year	1,394.93	862.43
Less: Closing stock	(387.84)	(168.64)
Total	**1,175.73**	**994.26**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 20: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the beginning of the year		
Stock-in-trade	198.37	122.64
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	476.95	**351.26**
Inventories at the end of the year		
Stock-in-trade	199.76	198.37
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	452.05	**476.95**
Net (Increase) / decrease in Stock	**24.90**	**(125.69)**

Note 21: Employee benefits expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	1,984.12	1,824.74
Contribution to provident and other funds	113.27	126.29
Share based payments to employees	13.55	11.20
Staff welfare expenses	110.88	107.93
Total	**2,221.82**	**2,070.16**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 22: Other expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power and fuel	40.08	38.93
Consumption of stores and spares (Indigenous)	20.53	36.03
Labour and security	27.69	22.73
Testing charges	8.97	4.94
Rent	26.49	16.65
Formulation Development Expense	327.38	50.92
Freight and forwarding	151.29	166.46
Commission	164.68	157.62
Advertising, publicity and awareness	64.58	112.23
Repairs and maintenance	54.17	35.54
Selling and distribution	602.88	662.48
Representative Allowance	496.48	436.91
Travelling and conveyance	264.37	187.31
Communication	9.88	10.59
Legal and professional	392.45	353.46
Rates and taxes	70.95	51.84
Insurance	13.96	10.72
Payments to auditors (Refer note below)	4.50	4.59
Royalty Expense	4.30	4.06
Corporate social responsibility expenditure (Refer note 31)	65.43	81.91
Loss on property plant and equipment sold/written off	42.54	0.18
Donations	1.39	0.38
Bank charges	0.60	1.58
Provision for doubtful debt / other financial assets	-	65.10
Bad debt written off	0.02	-
Miscellaneous	243.41	346.77
Total	**3,099.02**	**2,859.93**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Statutory Audit fee	3.00	3.00
Reimbursement of expenses	-	0.09
Certification fees and other services	1.50	1.50
Grand Total	**4.50**	**4.59**

Note 23: Finance cost

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest expense	0.01	0.11
Interest on financial liabilities at amortised cost	2.93	1.15
Interest on Lease Liability	26.97	6.52
Total	**29.91**	**7.78**

Note 24: Earnings per share

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Net profit after tax for the year (₹ in million)	4,171.92	3,506.05
Weighted average number of equity shares outstanding for basic earning per share	13,58,73,030	13,57,80,653
Add : Dilutive share -Employees stock options outstanding	41,464	1,02,609
Weighted average number of equity shares outstanding for diluted earning per share	13,59,14,494	13,58,83,262
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	30.70	25.82
Diluted earnings per share (in ₹)	30.70	25.80

Note 25 : Impact of COVID on Business and Financial statements

The Company continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain, and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Company's financial statements for the year ended March 31, 2022.

Note 26 : Arrangement with M. J. Biopharm Private Limited

During the year, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is holding a 70% stake in Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) and remaining 30% is held by M. J. Biopharm Private Limited. The initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved Completion.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 27: EMPLOYEE BENEFIT PLANS

A) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹75.83 million (Previous Year ₹75.10 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme. The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized ₹2.89 million (Previous year ₹5.15 million) for ESIC contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹11.71 million (Previous Year ₹23.83 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Company's financial statements as at March 31, 2022:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**161.42**	**127.49**
Current Service Cost	22.70	18.34
Transfer in/(out) obligation	1.03	1.61
Interest Cost	7.25	5.90
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(1.89)	0.90
- Due to change in Demographic Assumptions		-
- Due to experience adjustments	16.96	18.76
Benefits paid	(24.54)	(11.58)
Obligations at the end of the year	**182.93**	**161.42**
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**147.93**	**47.59**
Interest Income	7.11	2.03
Return on plan assets excluding interest income	(0.37)	(0.01)
Employer Contributions	35.52	109.90
Benefits paid	(24.54)	(11.58)
Fair Value of plan assets at the end of the year	165.65	147.93

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**182.93**	**161.42**
Less : Fair value of plan assets	(165.65)	(147.93)
Funded status (deficit)	17.28	13.49
Net liability recognised in the financial statement	**17.28**	**13.49**

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	22.70	18.34
Interest Cost Net	0.14	3.87
Expense charged to the statement of profit and loss	**22.84**	**22.21**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	0.37	0.01
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(1.89)	0.90
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.96	18.76
Expense charged to other comprehensive income	**15.44**	**19.67**
Assumptions:		
Discount rate	5.65%	5.20%
Estimated rate of return on plan assets	5.65%	5.20%
Annual increase in salary costs	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years

Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	180.90	159.64
Decrease of 0.5% in discount rate	185.04	163.27
Increase of 0.5% in salary escalation rate	184.88	163.14
Decrease of 0.5% in salary escalation rate	181.04	159.75

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected future Cash outflows towards the plan are as follows :		
Year 1	67.04	61.72
Year 2	40.98	33.57
Year 3	30.23	25.70
Year 4	22.07	18.78
Year 5	15.41	13.50
Year 6 to 10	29.40	25.48

Investment details of plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Insurer managed funds with Life Insurance Corporation of India	95%	94%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	6%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by company for gratuity during financial year ending March 31, 2023 is ₹17.28 million (previous year ₹13.49 million).

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 28: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows:

(₹. In Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	1,375.55	1,375.55	1,137.57	1,137.57
Cash and cash equivalents	447.04	447.04	313.48	313.48
Other bank balances	14.01	14.01	13.10	13.10
Investment in tax free bonds	5.29	5.29	5.00	5.00
Loans	550.30	550.30	401.09	401.09
Other Financial Asset	716.99	716.99	914.95	914.95
Fair value through profit or loss :				
Investment in mutual funds	5,166.49	5,166.49	2,903.23	2,903.23
Investment in tax free bonds	3.50	3.50	3.57	3.57
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Total	**8,307.79**	**8,307.79**	**5,720.61**	**5,720.61**
Financial Liabilities :				
Amortised cost :				
Trade payables	967.70	967.70	867.07	867.07
Other financial liabilities	59.81	59.81	74.90	74.90
Lease Liability	381.77	381.77	53.42	53.42
Total	**1,409.28**	**1,409.28**	**995.39**	**995.39**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

(₹ in million)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	2,903.23	-	-	2,903.23
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	**2,906.80**	**-**	**28.62**	**2,935.42**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**2,906.80**	**-**	**28.62**	**2,935.42**

Determination of fair values: The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Fair value of Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Company's activities are exposed to variety of financial risks. These risks include market risk, credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. The Company is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below:

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Company invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹5,169.99 million and ₹2,906.80 million as at March 31, 2022 and March 31, 2021 respectively.

(b) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ` 8,307.79 million and ` 5,720.61 million as at March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets, loans and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows:

(₹. In Million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Trade payables	967.70	-	-
Other financial liabilities	59.81	-	-
Lease Liability	62.37	128.39	308.91
	1,089.88	128.39	308.91

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Trade payables	867.07	-	-
Other financial liabilities	74.90	-	-
Lease Liability	24.08	23.68	14.49
	966.05	23.68	14.49

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows.

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total loans and borrowings	381.77	53.42
Less : Cash and bank balances	447.04	313.48
Adjusted net debt	(65.27)	(260.06)
Total equity	19,185.56	15,754.67
Adjusted net debt to adjusted equity ratio	(0.00)	(0.02)
Debt equity considering only borrowings as debt	0.02	0.00

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022; March 31, 2021.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 29: Related Party Disclosures
A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the entity
1	**Subsidiaries**	
		Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)
		Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)
		Eris Healthcare Private Limited
		Eris Therapeutics Limited (w.e.f. June 23, 2021)
		Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020)
2	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director (From August 04, 2020)	Mr. Kaushal Shah
	Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
	Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
	Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
	Independent Director	Mrs. Vijaya Sampath
	Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
	Independent Director	Mr. Prashant Gupta
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar
3	**Close family member of Key Management Personnel**	
	Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
	Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
4	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by relative of Key Managerial Personnel (w.e.f. August 21, 2021)	Tresna Foundation
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

B) Total Transactions with related parties are as follows:

(₹. In Million)

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**
Investment in / (Redemption of) Perpetual bond	(50.00)	(45.00)	-	-	-	-	-	-	(50.00)	(45.00)
Investment in Equity share capital	0.10	-	-	-	-	-	-	-	0.10	-
Investment in Preference share capital	249.98	-	-	-	-	-	-	-	249.98	-
Loans Given	605.78	318.00	-	-	-	-	-	-	605.78	318.00
Loans Received back	604.75	18.00	-	-	-	-	-	-	604.75	18.00
Sales of Finished goods	149.92	208.76	-	-	-	-	-	-	149.92	208.76
Purchases of Stock-in-trade	127.71	47.01	-	-	-	-	-	-	127.71	47.01
Royalty Income	11.05	9.73	-	-	-	-	-	-	11.05	9.73
Interest Income	35.54	15.95	-	-	-	-	-	-	35.54	15.95
Royalty Expense	4.30	4.06	-	-	-	-	-	-	4.30	4.06
Reimbursement of expense incurred	1.03	-	2.17	1.55	-	-	-	-	3.20	1.55
Remuneration	-	-	119.34	93.72	-	-	-	-	119.34	93.72
Sitting fees	-	-	3.23	3.00	-	-	-	-	3.23	3.00
Commission	-	-	17.50	2.69	-	-	-	-	17.50	2.69
Stock Options exercised	-	-	3.77	-	-	-	-	-	3.77	-
Salary expense	-	-	-	-	0.28	0.65	-	-	0.28	0.65
Corporate Social Responsibility	-	-	-	-	2.10	-	-	-	2.10	-
Contribution to Post-employment benefit plan	-	-	-	-	-	-	16.28	41.88	16.28	41.88

(₹. In Million)

(B)Balances at the end of the year	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**
Perpetual bond	200.00	250.00	-	-	-	-	-	-	200.00	250.00
Trade Receivable	0.88	3.31	-	-	-	-	-	-	0.88	3.31
Advance from Customer	3.81	0.01	-	-	-	-	-	-	3.81	0.01
Advance to Creditor	3.35	-	-	-	-	-	-	-	3.35	-
Trade payable	-	1.54	16.14	5.40	0.03	-	-	-	16.17	6.94
Loans and advances Given	311.26	319.64	-	-	-	-	-	-	311.26	319.64

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

C) Transactions with related parties are as follows:

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Transaction with Subsidiaries**		
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) (Refer note 26)		
	Interest Income	0.25	-
	Loans Given	46.18	-
	Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)		
	Purchases of Stock-in-trade	0.02	1.55
	Sales of Finished goods	52.05	63.95
	Investment in / (Redemption of) Perpetual bond	(50.00)	(45.00)
	Loan given	-	1.50
	Loans Received back	-	11.50
	Royalty Income	5.52	5.47
	Reimbursement of expense incurred	1.03	-
	Royalty expense	2.39	2.42
	Interest Income	-	0.40
	Eris Healthcare Private Limited		
	Royalty expense	1.91	1.64
	Sales of Finished goods	97.87	144.81
	Loans given	157.50	316.50
	Loans Received back	202.65	6.50
	Purchases of Stock-in-trade	127.69	45.46
	Interest income	29.66	15.55
	Royalty income	5.53	4.26
	Eris Therapeutics Limited		
	Investment in Equity share capital	0.10	-
	Investment in Preference share capital	249.98	-
	Loans given	402.10	-
	Loans Received back	402.10	-
	Interest Income	5.63	-

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
2	**Key Management Personnel compensation**		
	Remuneration*	119.34	93.72
	Sitting fees	3.23	3.00
	Reimbursement of expense	2.17	1.55
	Commission	17.50	2.69
	Stock Options exercised	3.77	-
3	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.28	0.65
	Corporate Social Responsibility	2.10	-
4	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.28	41.88

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

(₹. In Million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) (Refer note 26)**		
	Loans and advances Given	46.41	-
	Trade payable	-	1.54
	Trade Receivable	0.82	1.61
2	**Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)**		
	Loans and advances Given	-	-
	Perpetual bond	200.00	250.00
	Trade Receivable	-	1.00
	Advance from Customer	3.81	0.01

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
3	**Eris Healthcare Private Limited**		
	Loans and advances Given	264.85	319.64
	Advance to Creditors	3.35	-
	Trade receivable	-	0.70
4	**Eris Therapeutics Limited**		
	Trade receivable	0.06	-
5	**Key Management Personnel compensation**		
	Trade Payable	16.14	5.40
6	**Close family member of Key Management Personnel compensation**		
	Trade Payable	0.03	-

Note 30: Loans to group Companies

Disclosures pursuant to Regulation 34(3) read with Para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013.

(₹. In Million)

Name of the Subsidiary	Amount outstanding as at				Maximum balance during the year	
	March 31, 2022		March 31, 2021		2021-22	2020-21
	Amount	% of Total Loan	Amount	% of Total Loan		
Promotors	-	-	-	-		
Directors	-	-	-	-		
KMPs	-	-	-	-		
Related Parties	**311.26**	**56.19%**	**319.64**	**78.67%**	**860.23**	**331.53**
Eris Healthcare Private Limited	264.85	47.81%	319.64	78.67%	419.31	319.64
Eris M.J.Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	46.41	8.38%	-	0.00%	46.41	-
Eris Therapeutics Limited	-	0.00%	-	0.00%	394.51	-
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	-	0.00%	-	0.00%	-	11.89

Notes:

a) The loanees did not hold any shares in the Share capital of the Company.

b) All loans given are for the purposes of the business and repayable on demand hence considered short term.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 31: Corporate Social Responsibility (CSR) expenditure
Disclosures pertaining to corporate social responsibility activities:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate Social Responsibility expenses for the year	**65.43**	**81.91**
Nature of CSR activities		
Medical	62.46	57.09
Educational	2.97	1.14
Other	-	1.10
Gross amount required to be spent by the company during the year.	**65.43**	**59.04**
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	65.43	59.33
Details of related party transactions	2.10	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
The reason for above shortfalls by way of a note	-	-

Excess amount for set off

(₹. In Million)

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Two percent of average net profit of the Company as per section 135(5)	65.43	59.04
(ii)	Total amount spent for the Financial Year	195.08	59.33
(iii)	Excess amount spent for the Financial Year [(II)-(i)]	129.65	0.29
(iv)	Amount available for set off from preceding financial years	0.29	-
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	129.94	0.29

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 32: Contingent Liability and Capital Commitment

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	173.52	164.62
Notices regarding Income-tax matters	1.06	0.80
Others	68.83	17.74

Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for Nil (Previous year ₹28.92 million).

The Company has given letter of comfort to bank for credit facilities upto ₹1500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Company does not expect any outflow of resources in respect of the above.

Note 33: Lease rent IND AS 116

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹. In Million)

Changes [increase/(decrease)]	For Year ended March 31, 2022	For Year ended March 31, 2021
Depreciation and Amortisation	42.41	33.62
Finance costs on lease liability	26.97	6.52
Cash Flow From Lease	(112.95)	(56.92)
Cash Flow From Lease interest	(26.97)	(6.52)

Note 34: ESOP

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is ₹13.55 million and for financial year 2020-21 is ₹11.20 million.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,73,709	451.04	3,21,930	451.04
Granted during the year	-	-	-	-
Vested during the year	59,197	451.04	68,176	451.04
Exercised during the year	1,49,544	451.04	-	-
Lapsed during the year	16,629	451.04	48,221	451.04
Options outstanding at the end of the year	1,07,536	451.04	2,73,709	451.04
Options available for grant	98,107	451.04	49,886	451.04
Options exercisable at the end of the year	53,826	451.04	1,56,977	451.04

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**April 12, 2017**
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹1 each for an exercise price of ₹557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is NIL.

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	-
Granted during the year	2,14,102	557.24
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Options outstanding at the end of the year	2,14,102	557.24
Options available for grant	11,44,528	-
Options exercisable at the end of the year	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**February 10, 2022**
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value (₹)	**341.62**

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 35: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

	Particulars	March 31, 2022	March 31, 2021
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due remaining unpaid	41.49	44.46
	Interest amount due remaining unpaid	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act.	-	-

Note 36 (A): Financial Ratio

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance	Remarks for variance
Liquidity Ratio (in times)						
Current Ratio	Current Assets	Current Liabilities	3.49	2.93	18.97%	
Solvency Ratio (in times)						
Debt - Equity Ratio	Total Debt(1)	Shareholder's Equity	0.02	0.00	486.86%	Debt represent Lease Liabilities -Change in solvency ratio is due to new lease agreements entered during FY 2021-22.
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt Service(3)	77.13	61.32	25.77%	
Profitability ratio (in %)						
Net profit ratio	Profit After Tax	Sale of products	34.95%	32.21%	8.51%	
Return on Equity (ROE):	Profit After Tax	Average Shareholder's Equity	23.88%	24.39%	-2.08%	
Return on capital employed (ROCE)	Earning before interest and tax	Capital Employed (4)	31.66%	36.41%	-13.06%	
Return on investment (ROI)	Income generated from investments	Time weighted average investments	4.48%	2.20%	103.56%	In FY 21 investments were done in liquid funds but due to change in investment strategy the investments were then diversified into Debt Mutual funds and FD's to generate higher returns

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance	Remarks for variance
Utilization Ratio (in times)						
Trade receivables turnover ratio	Sale of products	Average Trade Receivables	9.50	8.55	11.08%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.67	3.05	-12.42%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.75	4.35	9.22%	
Net capital turnover ratio	Net Sales	Working Capital	2.89	3.90	-26.01%	Higher efficiency on working capital improvement has impacted change in this ratio.

Notes

(1) Debt represents only lease liabilities.

(2) Net Profit after tax means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Lease payments for the current year

(4) Tangible net worth + deferred tax liabilities + Lease Liabilities

Note 36 (B): Other statutory information

ii). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

v). The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2022. (Refer Note 10)

(b) Investment made by the Company as at March 31, 2022. (Refer Note 3)

(c) No Guarantee has been given by the Company as at March 31, 2022. (Refer note 32)

NOTES ON STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 37: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the managing director and the company has only one reportable business segment i.e. 'pharmaceuticals'.

Note 38: Items included in Financial Activities

(₹. In Million)

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	53.42	(139.92)	473.80	(5.53)	381.77

(₹. In Million)

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	105.48	(63.44)	5.84	5.54	53.42

Note 39: Change in method of Depreciation and Amortisation

During the year, the Management has reassessed the useful life of brands after taking into consideration prevalent industry practices. Based on the said reassessment, useful life of Brands in Intangible assets has been revised to 20 years from 50 years with effect from April 01, 2021.

During the year, the Management has also reassessed the method of providing depreciation on tangible assets after taking into consideration past experience and expected usage. Based on the said reassessment, method of depreciation has been changed to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment and Right of Use assets with effect from April 01, 2021.

The Company has accounted for these changes in estimate of useful life and depreciation method prospectively and consequently, depreciation and amortisation expense for the year ended March 31, 2022 is higher by ₹1.88 Million.

Note 40: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ERIS LIFESCIENCES LIMITED
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ERIS LIFESCIENCES LIMITED ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matter section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Carrying value of investments in subsidiaries**	**Principal audit procedures performed:**
	Refer note 2(b) to the Consolidated Financial Statements. As at 31 March 2022, the Group had Rs. 6,464.41 millions of carrying value of acquired intangibles. Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss. For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Group operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired.	1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of Parent company's management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for. Our substantive testing procedures included evaluation of appropriateness of management's estimate and judgement whether any indicators of impairment existed. 2. The Component auditor have reported to us that they have also performed above procedures.

	The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the amortisation and recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of intangibles has been identified as a Key Audit Matter.	
2.	**Carrying values of acquired intangibles assets**	**Principal audit procedures performed:**
	Refer to note 2(b) to the consolidated financial statements. As at 31 March 2022, the Group's carrying value of goodwill is Rs. 934.74 millions. In accordance with Ind AS, goodwill needs to be tested for impairment annually. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit or group of cash generating units (CGU) and determination of recoverable amount of the underlying CGUs. Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations, the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of goodwill has been identified as a Key Audit Matter.	1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's basis for allocation of goodwill to CGUs and determination of recoverable amounts to measure the impairment provision, if any, that needs to be accounted for. 2. As part of our substantive testing procedures, we have examined management's judgement and estimates in the area of impairment testing by considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows and retrospective review of the projections. We also assessed the disclosures made by the Company.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance Report in Annual Report for the year ended March 31, 2022 but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Parent 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matter

We did not audit the financial statements/financial information of Five subsidiaries, whose financial statements/financial information reflect total assets of Rs. 2,244.91 Millions as at 31st March, 2022, total revenues of Rs. 1,608.62 Millions and net cash inflows amounting to Rs. 5.99 Millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matter section above we report, to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

   ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies.

   iv) (a)The respective Managements of the Parent and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c)Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)

(Membership No. 107723)

(UDIN: 21107723AAAAHP4546)

Mumbai, June 15, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ERIS LIFESCIENCES LIMITED

(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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Eris Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 the respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, 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 and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies.

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 and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, have, 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, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Five subsidiary companies, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

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

Manoj H. Dama
(Partner)
(Membership No. 107723)
(UDIN: 21107723AAAAHP4546)

Mumbai, June 15, 2022

CONSOLIDATED BALANCE SHEET
as at March 31, 2022

(₹. In Million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	1,212.18	749.95
(b) Right-of-use asset	2(a)	466.35	28.83
(c) Capital Work in progress	2(a)	240.04	-
(d) Goodwill	2(b)	934.74	934.74
(e) Other Intangible assets	2(b)	6,566.16	6,825.21
(f) Intangible assets under development	2(b)	29.82	15.55
(g) Financial assets			
Investments	3	4,208.44	2,436.45
Loans	10	28.20	49.49
Other financial asset	5	44.96	450.91
(h) Income tax assets (net)	4(d)	42.43	38.34
(i) Deferred tax assets (net)	4(f)	2,431.34	2,006.32
(j) Other non-current assets	6	243.43	141.55
Total Non current assets		**16,448.09**	**13,677.34**
(2) Current assets			
(a) Inventories	7	1,179.11	944.66
(b) Financial assets			
Investments	3	995.48	503.99
Trade receivables	8	1,609.68	1,404.88
Cash and cash equivalents	9(a)	508.70	369.15
Other bank balances	9(b)	14.57	13.61
Loans	10	230.03	45.45
Other financial asset	5	674.88	466.22
(c) Other current assets	6	1,060.85	922.50
Total Current assets		**6,273.30**	**4,670.46**
TOTAL - ASSETS		**22,721.39**	**18,347.80**
II. EQUITY AND LIABILITIES:			
(1) Equity			
(a) Share capital	11	135.93	135.78
(b) Other Equity	12	18,947.18	15,628.43
Equity attributable to the owners of the company		**19,083.11**	**15,764.21**
Non-controlling interest		**(1.08)**	**0.02**
Total Equity		**19,082.03**	**15,764.23**

(₹. In Million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
(2) Non Current Liabilities			
(a) Financial Liabilities			
Long term Borrowings	13	450.00	-
Lease Liabilities	14	353.94	44.47
Other financial liabilities	14	34.06	36.19
(b) Long-term provisions	15	321.14	313.30
(c) Other non-current liabilities	16	22.82	24.92
(d) Deferred tax liabilities (net)	4(f)	460.94	495.38
Total Non Current Liabilities		**1,642.90**	**914.26**
(3) Current liabilities			
(a) Financial Liabilities			
Trade payables			
A) Due to Micro and Small Enterprises	17	71.80	72.75
B) Due to other than Micro and Small Enterprises		1,105.94	953.41
Lease Liabilities	14	40.02	23.20
Other financial liabilities	14	122.12	98.51
Short term borrowings	13	0.11	0.10
(b) Short-term provisions	15	390.57	274.87
(c) Other current liabilities	16	195.93	168.96
(d) Income tax liabilities (net)	4(e)	69.97	77.51
Total Current Liabilities		**1,996.46**	**1,669.31**
Total Liabilities		**3,639.36**	**2,583.57**
TOTAL - EQUITY AND LIABILITIES		**22,721.39**	**18,347.80**

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
REVENUE:			
Revenue from operations			
Sale of products	18	13,261.68	11,926.44
Other operating income		208.75	192.19
Total Revenue from Operations		**13,470.43**	**12,118.63**
Other income	19	260.94	87.08
Total Revenue (I)		**13,731.37**	**12,205.71**
EXPENSES:			
(a) Cost of materials consumed	20	1,175.73	994.26
(b) Purchases of stock-in-trade		1,417.21	1,770.14
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(7.76)	(381.74)
(d) Employee benefits expense	22	2,522.52	2,293.04
(e) Other expenses	23	3,513.18	3,137.17
Total (II)		**8,620.88**	**7,812.87**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,110.49**	**4,392.84**
Finance costs	24	41.46	18.02
Depreciation and amortisation expense	2 & 39	647.05	429.85
Profit before tax		**4,421.98**	**3,944.97**
Tax expenses :	4		
(a) Current tax		818.24	694.02
(b) Deferred tax		(454.15)	(300.40)
Total tax expense		**364.09**	**393.62**
Profit for the year		**4,057.89**	**3,551.35**
Attributable to :			
- Owners of the company		4,061.13	3,551.35
- Non controlling interest		(3.24)	-
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(15.13)	(22.47)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		5.31	7.58
		(9.82)	**(14.89)**
Total Comprehensive Income for the year		**4,048.07**	**3,536.46**

(₹. In Million)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Attributable to:			
- Owners of the company		4,051.31	3,536.46
- Non controlling interest		(3.24)	-
Earnings per equity share of face value ₹ 1 each	25		
Basic (₹)		29.89	26.16
Diluted (₹)		29.88	26.14

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	**4,421.98**	**3,944.97**
Adjustments for:		
Depreciation and amortisation expense	647.05	429.85
Net Loss on property plant and equipment sold/written off	42.54	0.06
Finance costs	41.46	18.02
Interest income	(60.98)	(22.85)
Net gain on sale of investments carried at fair value through profit or loss	(21.73)	(28.55)
Net gain on investments carried at fair value through profit or loss	(144.36)	(21.22)
Provision for doubtful debts / Other financial assets	(1.52)	65.10
Bad debt written off	0.02	-
Deferred capital subsidy	(4.83)	(9.91)
Gain From Termination Of Lease Ind As 116	(18.68)	(0.98)
Share based payment expense	13.55	11.20
Operating profit before working capital changes	**4,914.50**	**4,385.69**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(204.80)	158.96
Inventories	(234.45)	(249.91)
Other asset	(146.87)	74.70
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	151.59	25.66
Other liabilities	29.69	(25.53)
Provisions	108.41	3.96
Other Financial Liabilities	(2.58)	65.43
Cash generated from operations	**4,615.49**	**4,438.96**
Net income tax paid	**(832.85)**	**(685.35)**
Net cash flow from operating activities (A)	**3,782.64**	**3,753.61**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(1,210.33)	(257.63)
Proceeds from sale of property plant and equipment	7.58	0.38
Investments in mutual funds and bonds	(2,676.77)	(3,720.50)
Proceeds from redemption of mutual funds and Shares	795.87	774.20
Loan to Others repayment received	4.38	0.37
Loan to Others given	(166.15)	(30.00)
Bank balances not considered as cash and cash equivalents-Placed	(0.96)	(13.42)
Interest income	50.28	13.02
Net cash flow used in investing activities (B)	**(3,196.10)**	**(3,233.58)**
C. Cash flow from financing activities		
Proceeds of borrowings	450.01	0.10
Finance costs	(38.50)	(17.81)
Dividend paid	(816.23)	(746.79)
Lease payment	(115.01)	(59.45)
Increase in share capital due to minority share in subsidiary	0.78	-
Share application money	4.51	-
Shares issued on exercise of employees stock options	67.45	-
Net cash used in financing activities (C)	**(446.99)**	**(823.95)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**139.55**	**(303.92)**
Cash and cash equivalents at the beginning of the year	**369.15**	**673.07**
Cash and cash equivalents at end of the year {Refer note- 9(a)}	**508.70**	**369.15**

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended March 31, 2022

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹. In Million)

Cash on hand	1.19	0.81
Balance with banks		
In Current Account	402.35	317.60
Cheque in hand	105.16	50.74
Cash and Cash Equivalents as per Cash flow statement	**508.70**	**369.15**

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

(₹. In Million)

A. Equity Share Capital

Particulars (refer note-11)	Amount
As at March 31, 2020	**135.78**
Change in Equity Share Capital	-
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**

(₹. In Million)

B. Other Equity

Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2020	**12,713.46**	**-**	**28.54**	**83.82**		**1.74**	**12,827.56**
Add: Proft for the year	3,551.35	-	-	-		-	3,551.35
Add: Other comprehensive Income for the year	(14.89)	-	-	-		-	(14.89)
Less: Payment of Dividend	(746.79)	-	-	-		-	(746.79)
Add: share based payments to employees of the Parent company	-	-	11.20	-		-	11.20
As at March 31, 2021	**15,503.13**	**-**	**39.74**	**83.82**		**1.74**	**15,628.43**
Add: Proft for the year	4,061.13	-	-	-	-	-	4,061.13
Add: Other comprehensive Income for the year	(9.82)	-	-	-	-	-	(9.82)
Less: Payment of Dividend	(816.48)	-	-	-	-	-	(816.48)
Less: Change in Non-controlling interest (Refer note 27.2)	(1.43)	-	-	-	-	-	(1.43)
Add: Pursuant to Issue of share capital on account of exercise of options	-	67.29	-	-	-	-	67.29
Add: Share application money pending allotment	-	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	13.55	-	-	-	13.55
As at March 31, 2022	**18,736.53**	**106.13**	**14.45**	**83.82**	**4.51**	**1.74**	**18,947.18**

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj H. Dama
Partner

Place: Mumbai
Date: June 15, 2022

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("Parent Company") and its subsidiaries (together referred to as "the group") are engaged in the manufacture and marketing of pharmaceutical products. The Parent Company has a manufacturing plant located in Guwahati, Assam. The Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation:

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by the Company, as disclosed in Note 37. Control is established when the Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3 Critical Accounting Judgements And Key Sources of Estimation Uncertainity:

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.4)
- Useful lives of property, plant and equipment (refer note 1.5)
- Useful lives of intangible assets (refer note 1.6)
- Impairment of asset (refer note 1.9)
- Valuation of inventories (refer note 1.10)
- Employee benefits (refer note 1.14)

- Valuation of deferred tax assets (refer note 1.15)
- Provisions & contingent liabilities (refer note 1.16)
- Impact of COVID on Business and Financial statements (refer note 26)

1.4 Revenue recognition:

a. Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations aresatisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisationexists.

1.5 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/ construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition/construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than freehold land and capital work-in progress) is recognised using the Written Down Value method upto March 31, 2021 and by using Straight-line method w.e.f. April 01, 2021 (Refer Note 39). Depreciation is recognised based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use. (Refer note 39)

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (Including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progess, the same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or constuction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current assets”.

1.6 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below: (Refer Note 39)

Type of intangible assets	Useful life
Trademark/Brands	Upto 50 years - upto March 31, 2021 Upto 20 years from April 01, 2021.
License Fees	From 3 to 10 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.7 Business combinations and Goodwill

1.7.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.7.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.8 Financial Instruments

Financial asset

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets aresubsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The Group measures its equity instruments other than investment in subsidiaries at fair value through profit and loss (FVTPL) in accordance with the requirements of Ind AS 109 . Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per Ind AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.10 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.11 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

1.12 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit or loss attributable to the equity holders of the Parent Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are

deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits, bonus shares and buy back, as appropriate.

1.14 Employee Benefits:

(A) Defined contribution plan: The Group's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Group also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Group recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits
Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.15 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.17 Leases:

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments

associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer note 32)

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Group are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.19 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.20 Share-based payment transactions:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Group has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the period. The Group measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Amendments to existing Ind AS:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022 , although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Note 2: Property, Plant and Equipment and Intangible Assets
(a) Property, Plant and Equipment:

(₹. In Million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Lease hold improve-ments	Total	Right of use asset (Refer note 32)
Gross carrying amount:										
As at March 31, 2020	**22.98**	**326.00**	**360.30**	**140.33**	**345.52**	**158.60**	**36.12**	**-**	**1,389.85**	**193.91**
Additions during the Year	-	-	0.62	50.75	82.32	34.28	-	-	167.97	6.67
Deductions during the year	-	-	1.32	-	0.12	-	-	-	1.44	-
As at March 31, 2021	**22.98**	**326.00**	**359.60**	**191.08**	**427.72**	**192.88**	**36.12**	**-**	**1,556.38**	**200.58**
Additions during the Year	172.35	-	2.37	12.31	325.47	68.82	-	84.80	666.12	495.37
Deductions during the year	-	-	-	1.01	212.18	104.41	0.24	-	317.84	172.23
As at March, 31, 2022	**195.33**	**326.00**	**361.97**	**202.38**	**541.01**	**157.29**	**35.88**	**84.80**	**1,904.66**	**523.72**
Accumulated depreciation:										
As at March 31, 2020	**-**	**71.10**	**132.95**	**75.34**	**226.40**	**65.51**	**6.04**	**-**	**577.34**	**133.63**
Additions during the Year	-	23.56	47.68	25.11	86.18	39.78	7.78	-	230.09	38.12
Deductions during the year	-	-	0.94	-	0.06	-	-	-	1.00	-
As at March 31, 2021	**-**	**94.66**	**179.69**	**100.45**	**312.52**	**105.29**	**13.82**	**-**	**806.43**	**171.75**
Additions during the Year*	-	8.13	16.61	13.38	88.56	20.60	2.54	3.92	153.74	44.03
Deductions during the year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March, 31, 2022	**-**	**102.79**	**196.30**	**112.96**	**223.52**	**36.87**	**16.12**	**3.92**	**692.48**	**57.37**
Net carrying amount										
As at March 31, 2021	**22.98**	**231.34**	**179.91**	**90.63**	**115.20**	**87.59**	**22.30**	**-**	**749.95**	**28.83**
As at March, 31, 2022	**195.33**	**223.21**	**165.67**	**89.42**	**317.49**	**120.42**	**19.76**	**80.88**	**1,212.18**	**466.35**
Capital work in progress										
As at March 31, 2021									**-**	
As at March 31, 2022									**240.04**	

* Refer note 39

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Note:
Capital-Work-in Progress:
Ageing Schedule

(₹. In Million)

Capital-Work-in Progress	As on	Amount of Capital-Work-in Progress for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	240.04	-	-	-	240.04
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		**240.04**	**-**	**-**	**-**	**240.04**
Projects in Progress	March 31,2021	-	-	-	-	-
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

Capital work in progress - Completion Schedule

(₹. In Million)

Capital-Work-in Progress	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	240.04	-	-	-	240.04
Total		**240.04**	**-**	**-**	**-**	**240.04**
Projects in progress	March 31,2021	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(b) Intangible Assets:

(₹. In Million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2020	**934.74**	**7,240.40**	**50.00**	**29.96**	**7,320.36**
Additions during the Year	-	0.01	-	45.88	45.89
Deductions during the year	-	-	-	-	-
As at March 31, 2021	**934.74**	**7,240.41**	**50.00**	**75.84**	**7,366.25**
Additions during the Year	-	125.00	-	65.23	190.23
Deductions during the year	-	-	-	-	-
As at March, 31, 2022	**934.74**	**7,365.41**	**50.00**	**141.07**	**7,556.48**
Accumulated depreciation:					
As at March 31, 2020	**-**	**331.29**	**36.46**	**11.65**	**379.40**
Additions during the Year	-	144.81	10.00	6.83	161.64
Deductions during the year	-	-	-	-	-
As at March 31, 2021	**-**	**476.10**	**46.46**	**18.48**	**541.04**
Additions during the Year*	-	424.90	3.54	20.84	449.28
Deductions during the year	-	-	-	-	-
As at March, 31, 2022	**-**	**901.00**	**50.00**	**39.32**	**990.32**
Net carrying amount					
As at March 31, 2021	**934.74**	**6,764.31**	**3.54**	**57.36**	**6,825.21**
As at March, 31, 2022	**934.74**	**6,464.41**	**-**	**101.75**	**6,566.16**
Intangible assets under development					
As at March 31, 2021				**15.55**	**15.55**
As at March 31, 2022				**29.82**	**29.82**

*Refer note 39

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note: Intangible Assets under Development:
Ageing Schedule

(₹. In Million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Projects temporarily suspended	March 31,2022	-	-	-	-	-
Total		**14.27**	**12.12**	**3.43**	**-**	**29.82**
Projects in Progress	March 31,2021	12.12	3.43	-	-	15.55
Projects temporarily suspended	March 31,2021	-	-	-	-	-
Total		**12.12**	**3.43**	**-**	**-**	**15.55**

Intantible assets under development - Completion Schedule

(₹. In Million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		**26.39**	**-**	**3.43**	**-**	**29.82**
Projects in progress	March 31,2021	-	12.12	-	3.43	15.55
Total		**-**	**12.12**	**-**	**3.43**	**15.55**

1. The Group test impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

   The key assumptions for CGUs with significant amount of goodwill as follows:

   Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

   Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹934.74 millions generated on acquisition of brands.

   The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 3: Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Non current investments				
(I) At Amortised Cost				
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of Rs. 10,000 each	500	5.29	500	5.00
Sub-total (I)		**5.29**		**5.00**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted)(Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	3,47,183	426.11	3,47,183	401.71
ABSL Banking PSU Fund Growth Direct	4,07,032	123.87	1,72,981	50.12
HDFC Ultra Short Fund Direct Growth	6,25,59,806	776.54	3,35,59,812	400.68
HDFC Floating Rate Income Fund Direct Plan Growth	99,74,232	399.92	99,74,232	381.92
ABSL Floating Rate Fund -Growth Direct	12,92,840	366.58	-	-
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	8,47,618	371.01	8,47,618	355.74
ABSL Low Duration Fund Growth Direct	-	-	6,44,241	355.67
Kotak Savings Fund Direct Plan Growth	1,17,69,499	424.06	-	-
SBI Magnum Ultra Short Duration Fund - Growth Direct	1,64,707	806.58	-	-
IDFC Corporate Bond Fund Direct Plan Growth	2,96,98,080	476.36	2,96,98,080	453.42
		4,171.03		**2,399.26**
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.18	1,000	1.21
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.16	1,000	1.19
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.16	1,000	1.17
		3.50		**3.57**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	28.62	3,81,588	28.62
		28.62		**28.62**
Sub-total (II=A+B+C)		**4,203.15**		**2,431.45**
Total (I)+(II)		**4,208.44**		**2,436.45**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units/Shares (Numbers)	(₹. In Million)	Units/Shares (Numbers)	(₹. In Million)
Aggregate carrying value of quoted investments		3.50		3.57
Aggregate market value of quoted investments		3.50		3.57
Aggregate carrying value of unquoted investments		4,204.94		2,432.88
Current investments				
(I) At Amortised Cost				
Investment in NSC (unquoted)	-	0.02	-	0.02
Sub-total (I)		**0.02**		**0.02**
(II) At Fair Value through Profit or Loss				
Investment in Mutual funds (unquoted)(Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	1,71,801	572.63	72,092	232.25
HDFC Liquid Fund Direct Plan Growth Option	1,01,041	422.83	67,165	271.72
Sub-total (II)		**995.46**		**503.97**
Total (I)+(II)		**995.48**		**503.99**

3.1 Details of pledged securities:

Include ₹350.00 million (March 31, 2021 - ₹350.00 million) marked under lien against overdraft facilities availed by the Parent company.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 4: Income Taxes

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	818.24	694.02
Deferred tax:		
Deferred tax (benefit) / expense for current year	(454.15)	(300.40)
	364.09	**393.62**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains / (losses) on defined benefit plans	(5.31)	(7.58)
	(5.31)	**(7.58)**
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	4,421.98	3,944.97
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,561.05	1,373.05
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.48	80.23
Effect of income exempt from taxation	(1.23)	(0.93)
Tax incentives	(1,214.58)	(1,056.82)
Adjustment of current tax of prior period	(11.17)	2.59
Others (net)	(40.77)	(12.08)
Adjusted income tax expense	358.78	386.04
Group's weighted average tax rate	8.11%	9.79%

(d) Income Tax Assets :

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	38.34	39.48
Less: Income tax refund	-	(0.09)
Less: Prior period adjustment	(0.41)	(1.32)
Add: Tax paid in advance, net of provisions / (Refund) during the year	4.50	0.27
Closing Balance	**42.43**	**38.34**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(e) Income Tax Liabilities:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	77.51	69.99
Add: Prior period adjustment	(8.60)	2.08
Add: Current tax payable for the year	829.41	690.62
Less: Taxes paid	(828.35)	(685.18)
Closing Balance	**69.97**	**77.51**

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(f) Deferred tax relates to :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	69.87	135.57
Minimum Alternate Tax credit entitlement	3,380.04	2,779.46
Carry forward tax losses and accumulated depreciation	72.19	40.97
Employee benefits	48.93	55.90
Other	25.70	19.72
	3,596.73	**3,031.62**
Deferred tax liabilities		
Intangible Assets	1,572.54	1,516.15
Fair Valuation of Investment	53.79	4.53
	1,626.33	**1,520.68**
Total	**1,970.40**	**1,510.94**

The deferred tax liabilities / assets are off-set, where the Group has a legally enforceable right to set-off assets against liabilities, and are presented in balance sheet as follows:

Deferred tax assets	2,431.34	2,006.32
Deferred tax liabilities	460.94	495.38
Net Deferred Tax	**1,970.40**	**1,510.94**

The Group is virtually certain that future taxable income will be available against which deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	Property, plant and equipment	Minimum Alternate Tax credit entitlement	Carry Forward Losses and accumulated depreciation	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :								
At March 31, 2020	**143.16**	**2,208.74**	**65.12**	**67.81**	**(1,279.26)**	**(5.60)**	**2.99**	**1,202.96**
Charged/(Credited)								
- To Profit or Loss	7.59	(570.72)	24.15	19.49	236.89	(1.07)	(16.73)	(300.40)
- To other comprehensive Income	-	-	-	(7.58)	-	-	-	(7.58)
At March 31, 2021	**135.57**	**2,779.46**	**40.97**	**55.90**	**(1,516.15)**	**(4.53)**	**19.72**	**1,510.94**
Charged/(Credited)								
- To Profit or Loss	65.70	(600.58)	(31.22)	12.28	56.39	49.26	(5.98)	(454.15)
- To other comprehensive Income	-	-	-	(5.31)	-	-	-	(5.31)
At March 31, 2022	**69.87**	**3,380.04**	**72.19**	**48.93**	**(1,572.54)**	**(53.79)**	**25.70**	**1,970.40**

Note 5: Other Financial Assets

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current (Considered Good)		
Security deposits	44.96	28.21
Fixed Deposits	-	422.70
	44.96	**450.91**
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	0.54	2.09
FIxed Deposits	618.99	412.78
Interest accrued	18.27	7.59
Security deposits	29.91	36.36
Receivable on sale of Investment in subsidiary		
- Considered doubtful	-	12.00
Less: Allowance for doubtful of recovery	-	(12.00)
Claims and Other receivables		
- Considered Good	7.17	7.40
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	674.88	**466.22**
Total	**719.84**	**917.13**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 6: Other Assets

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Capital Advances	243.43	141.55
	243.43	**141.55**
Current		
Prepaid expenses	214.39	79.90
Balances with government authorities		
Goods and Services Tax / Cenvat credit receivable	218.71	265.40
Others	4.36	2.14
Advance to supplier	618.42	568.27
Advances to employees	4.97	6.79
	1,060.85	**922.50**
Total	**1,304.28**	**1,064.05**

Note 7: Inventories
(At lower of cost and net realisable value)

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material and Packing Material {including goods-in-transit ₹11.83 million (March 31, 2021 - ₹2.03 million)}	387.84	168.64
Work-in-progress	19.78	26.42
Finished goods	232.51	252.16
Stock-in-trade {including goods-in-transit ₹ 35.72 million (March 31, 2021 - ₹ 9.59 million)}	528.62	494.57
Stores, spares & consumables	10.36	2.87
Total	**1,179.11**	**944.66**

Note 8: Trade receivables

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Considered good	-	-
Unsecured Considered good	1,609.68	1,404.88
Considered doubtful	27.09	27.09
Trade Receivables-credit impaired	8.09	8.09
	1,644.86	1,440.06
Less: Allowance for doubtful debt (expected credit loss)	35.18	35.18
Total	**1,609.68**	**1,404.88**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	35.18	30.18
Add : Provision during the year	-	5.00
Less : Utilisation during the year	-	-
Closing Balance	35.18	35.18

Trade Receivable ageing schedule:

(₹. In Million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2022	-	1,266.02	318.40	14.87	9.99	0.14	0.26	1,609.68
	March 31,2021	-	1,221.18	152.65	14.95	7.73	7.16	1.21	1,404.88
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	17.09	-	10.00	-	-	27.09
	March 31,2021	-	-	17.09	10.00	-	-	-	27.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
	March 31,2021	-	-	-	-	5.56	0.09	2.44	8.09
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2022	-	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-	-
Total	**March 31,2022**	**-**	**1,266.02**	**335.49**	**14.87**	**20.58**	**5.42**	**2.48**	**1,644.86**
	March 31,2021	**-**	**1,221.18**	**169.74**	**24.95**	**13.29**	**7.25**	**3.65**	**1,440.06**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 9: Cash and cash equivalents

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash and cash equivalents		
Cash on hand		
Balances with banks in current accounts*	1.19	0.81
Cheque in hand	402.35	317.60
	105.16	50.74
	508.70	**369.15**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender deposit		
	14.57	13.61
Total	**523.27**	**382.76**

*Includes Unclaimed Dividend of ₹ 0.76 million (Previous year ₹ 0.45 million).

Note 10: Loans

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Loans Receivables considered good - Unsecured	28.20	49.49
	28.20	**49.49**
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	230.03	45.45
Loans Receivables which have significant increase in Credit Risk	3.67	5.19
Loans Receivables - credit impaired	-	-
	233.70	**50.64**
Less: Allowance for doubtful loan	(3.67)	(5.19)
	230.03	**45.45**
Total	**258.23**	**94.94**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 11: Share capital

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up:		
13,59,30,197 (Previous year 13,57,80,653) Equity Shares of ₹1 each, fully paid up	135.93	135.78
Total	**135.93**	**135.78**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	No. of equity shares	(₹. In Million)
Shares outstanding at March 31, 2020	13,57,80,653	135.78
Issued during the year	-	-
Shares outstanding at March 31, 2021	13,57,80,653	135.78
Issued during the year (persuant to ESOP - refer Note 33)	1,49,544	0.15
Shares outstanding at March 31, 2022	13,59,30,197	135.93

11.2 Details of shareholders holding more than 5 % equity shares in the Parent company as at the end of the year

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,47,59,132	40.28%	5,46,98,423	40.28%
2. Rakeshbhai Bhikhabhai Shah	1,56,84,407	11.54%	1,56,84,407	11.55%
3. Bhikhalal Chimanlal Shah	88,68,689	6.52%	88,92,430	6.55%
4. Emerald Investments Limited	74,77,132	5.50%	74,77,132	5.51%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2022			As at March 31, 2021	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	5,47,59,132	40.28%	0.11%	5,46,98,423	40.28%
2. Rajendrakumar Rambhai Patel	59,39,834	4.37%	0.00%	59,39,834	4.37%
3. Inderjeet Singh Negi	59,39,833	4.37%	0.00%	59,39,833	4.37%
4. Kaushal Kamleshkumar Shah	44,68,833	3.29%	0.00%	44,68,833	3.29%
5. Himanshu Jayantbhai Shah	4,75,801	0.35%	-80.63%	24,57,011	1.81%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

11.4 Terms / Rights attached to the equity shares:

The Parent Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

11.5 Share options granted under the Parent Company's employee share option plan:

The Parent Company recognizes compensation expense relating to share-based payments in net profit using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Buyback of equity shares:

As on January 22, 2020, the Parent Company concluded buy-back of 17,39,130 Equity Shares at a price of ₹ 575 per equity share from eligible shareholders of the Company on a proportionate basis through Tender Offer route in accordance with the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder, as approved by the Board of Directors at their meeting held on July 03, 2019.

11.7 Dividend:

The Board of Directors of the Parent Company has declared and paid an interim dividend of ₹ 6.01/- (at the rate of 601 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2021-22 at its meeting held on July 29, 2021.

Note 12: Other Equity

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	18,736.53	15,503.13
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Securities Premium	106.13	-
Share Application Money Pending Allottment	4.51	-
Share based payment reserve	14.45	39.74
Capital redemption reserve	1.74	1.74
Total	**18,947.18**	**15,628.43**

Nature and purpose of reserves:

Retained Earnings: Retained Earnings are the profits that the group has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve: The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve: The Parent Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Capital reserve on Amalgamation of subsidiaries: Capital reserve on amalgamation of subsidiaries is created pursuant to a scheme of amalgamation and shall not be considered to be a reserve created by company.

Security premium: The amount received in excess of the par value of equity shares has been classified as securities premium.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 13: Borrowings

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Secured Loan from bank	450.00	-
	450.00	**-**
Current		
Unsecured loan from Others	0.11	0.10
	0.11	**0.10**
Total	**450.11**	**0.10**

A loan of ₹ 450 million was obtained in Eris Therapeutics Limited (Wholly owned subsidiary) and same is repayable in 16 quarterly instalments starting from June 2023. The loan is secured by Pledge over land and building and hypothecation over Eris Therapeutics Limited's tangible fixed assets and Parent Company has given letter of comfort to bank for credit facilities upto ₹ 1500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Parent Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary. The loan carries interest rate linked to treasury rates. Interest on loan is payable on monthly basis.

Note 14: Other financial liabilities

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
(a) Lease Liabilities		
Lease liabilities	353.94	44.47
	353.94	44.47
(b) Other financial liabilities		
Trade deposits	34.06	36.19
	34.06	36.19
	388.00	**80.66**
Current		
(a) Lease Liabilities		
Lease liabilities	40.02	23.20
	40.02	23.20
(b) Other financial liabilities		
Trade deposits	0.80	0.80
Book overdraft *	92.59	93.04
Dividend Payable	0.76	0.45
Payable towards purchase of fixed assets	27.97	4.22

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
	122.12	98.51
	162.14	121.71
Total	**550.14**	**202.37**

* Mutual funds are marked as lien against OD Limit (Refer note 3).

Note 15: Provisions

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	65.06	63.66
Gratuity	8.92	7.66
Provision for sales returns (Refer note below)	247.16	241.98
	321.14	**313.30**
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	36.18	36.02
Gratuity	21.10	15.99
Provision for sales returns (Refer note below)	333.29	222.86
	390.57	**274.87**
Total	**711.71**	**588.17**

Provision for sales returns:
The Group, as a trade practice, accepts returns from market. Provision is made for such sales returns on the basis of historical experience, market conditions and specific contractual terms.

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Provision	464.84	394.75
Add: Provision during the year	369.86	251.96
Less: Utilisation during the year	254.25	181.87
Closing Provision	**580.45**	**464.84**
Long Term	247.16	241.98
Short Term	333.29	222.86
Total	**580.45**	**464.84**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 16: Other liabilities

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred Capital Subsidy Non Current*	22.82	24.92
	22.82	**24.92**
Current		
Statutory liabilities	152.37	132.46
Advances from customers	38.71	28.93
Deferred Capital Subsidy Current*	4.85	7.57
	195.93	**168.96**
Total	**218.75**	**193.88**

*Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under the North East Industrial & Investment Promotion Policy (NEIIPP)

Note 17: Trade payables

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Due to micro and small enterprises (refer note-34)	71.80	72.75
Due to others	1,105.94	953.41
Total	**1,177.74**	**1,026.16**

Trade Payable ageing schedule:

(₹. In Million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2022	-	38.71	33.09	-	-	-	71.80
	March 31,2021	-	19.00	53.75	-	-	-	72.75
(ii) Others	March 31,2022	-	745.31	357.20	0.94	0.04	2.45	1,105.94
	March 31,2021	-	501.73	447.54	1.41	0.03	2.70	953.41
(iii) Disputed dues - MSME	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2022	-	-	-	-	-	-	-
	March 31,2021	-	-	-	-	-	-	-
Total	**March 31,2022**	**-**	**784.02**	**390.29**	**0.94**	**0.04**	**2.45**	**1,177.74**
	March 31,2021	**-**	**520.73**	**501.29**	**1.41**	**0.03**	**2.70**	**1,026.16**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 18: Revenue from operations

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of products	13,261.68	11,926.44
Other operating income		
Goods And Services Tax refund	206.41	189.76
Others	2.34	2.43
	208.75	**192.19**
Total	**13,470.43**	**12,118.63**

Revenue as per contracted price, net of returns	13,740.80	12,257.11
Less: Provision for sales return	369.86	251.96
Less: Scheme, discount and others	109.26	78.71
Revenue from contracts with customers	13,261.68	11,926.44

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest income	60.98	22.85
Net gain on sale of investments	21.73	28.55
Net gain on investments carried at fair value through profit or loss	144.36	21.22
Deferred Capital Subsidy (Refer note 19.1)	4.83	9.91
Gain on termination of lease	18.68	-
Miscellaneous income	10.36	4.55
Total	**260.94**	**87.08**

19.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 20: Cost of material consumed

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw materials and packing materials		
Opening stock	168.64	300.47
Add: Purchases during the year	1,394.93	862.43
Less: Closing stock	(387.84)	(168.64)
Total	**1,175.73**	**994.26**

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the beginning of the year		
Stock-in-trade	494.57	162.79
Finished goods	252.16	195.85
Work-in-progress	26.42	32.77
	773.15	**391.41**
Inventories at the end of the year		
Stock-in-trade	528.62	494.57
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	780.91	**773.15**
Net (increase) / decrease in stocks	**(7.76)**	**(381.74)**

Note 22: Employee benefits expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	2,253.93	2,028.30
Contribution to provident and other funds	137.41	139.10
Share based payments to employees (Refer note 33)	13.55	11.20
Staff welfare expenses	117.63	114.44
Total	**2,522.52**	**2,293.04**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 23: Other expenses

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power and fuel	41.64	39.53
Consumption of stores and spares (Indigenous)	22.88	36.03
Labour and security	27.69	22.73
Testing charges	10.17	5.41
Rent (Refer note 32)	32.45	21.08
Formulation Development Expense	327.38	50.92
Freight and forwarding	194.55	198.38
Commission	197.37	206.16
Advertising, publicity and awareness	87.47	125.05
Repairs and maintenance	55.14	36.67
Selling and distribution	734.51	757.38
Representative Allowance & Incentives	505.14	436.91
Travelling and conveyance	343.72	234.57
Communication	10.19	10.87
Legal and professional	473.64	402.86
Rates and taxes	80.87	57.38
Insurance	15.20	11.46
Payments to auditors (Refer note below)	5.06	5.16
Loss on property plant and equipment sold/written off	42.54	0.18
Corporate social responsibility expenditure	66.39	83.50
Donations	1.39	0.38
Bank charges	0.73	1.73
Royalty Expense	-	-
Provision for doubtful debt / other financial assets	-	65.10
Bad debt written off	0.02	-
Miscellaneous	237.04	327.73
Total	**3,513.18**	**3,137.17**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Statutory Audit fee	3.56	3.57
Reimbursement of expenses	-	0.09
Certification fees and other services	1.50	1.50
Total	**5.06**	**5.16**

Note 24: Finance cost

(₹. In Million)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest expense	10.30	8.94
Interest on financial liabilities at amortised cost	2.93	1.15
Interest on Lease liability	28.23	7.93
Total	**41.46**	**18.02**

Note 25: Earnings per share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net profit after tax for the year (₹ in million)	4,061.13	3,551.35
Weighted average number of equity shares outstanding for basic earning per share	13,58,73,030	13,57,80,653
Add: Dilutive share -Employees stock options outstanding	41,464	1,02,609
Weighted average number of equity shares outstanding for diluted earning per share	13,59,14,494	13,58,83,262
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	29.89	26.16
Diluted earnings per share (in ₹)	29.88	26.14

Note 26: Impact of COVID on Business and Financial statements

The Group continues to observe the Covid-19 impact on its business. This covers the monitoring of its impact on its supply-chain, and customers. Conclusions on significant accounting judgements and estimates have been drawn after exercising requisite due care. Such judgements and estimates include, inter-alia, recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available as of the date of preparing the Group's financial statements for the year ended March 31, 2022.

Note 27: Arrangement with M. J. Biopharm Private Limited

During the year, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's wholly owned subsidiary Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is holding a 70% stake in Eris M.J. Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited) and remaining 30% is held by M. J. Biopharm Private Limited. The initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved completion.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 28: Employee Benefit Plans

A) Defined contribution plans:

The Group makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Group recognized ₹86.93 million (Previous Year ₹82.62 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of the scheme.

The Group made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Group recognized ₹3.90 million (Previous year ₹5.62 million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Group rules with corresponding charge to the Statement of Profit and Loss amounting to ₹20.01 million (Previous Year ₹24.79 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The Parent Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Group's financial statements as at March 31, 2022:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**171.59**	**132.59**
Current Service Cost	26.06	21.95
Transfer in/(out) obligation	-	1.61
Past Service Cost	-	-
Interest Cost	7.79	6.17
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(2.17)	0.98
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.93	21.49
Benefits paid	(24.54)	(13.20)
Obligations at the end of the year	**195.66**	**171.59**
(b) Reconciliation of opening and closing balances of the fair value of plan assets:		
Fair value of plan assets at the beginning of the year	**147.92**	**47.58**
Interest Income	7.11	2.03
Expected returns on plan assets	(0.37)	(0.01)
Employer Contributions	35.52	109.90
Benefits paid	(24.54)	(11.58)
Fair Value of plan assets at the end of the year	**165.64**	**147.92**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets:		
Present value of the defined benefit obligation at the end of the year	**195.66**	**171.59**
Less : Fair value of plan assets	(165.64)	(147.92)
Funded status (deficit)	30.02	23.67
Net liability recognised in the financial statement	**30.02**	**23.67**
(d) Expense recognised in the statement of profit and loss for the year:		
Service Cost	26.06	21.95
Interest Cost	0.68	4.14
Expense charged to the statement of profit and loss	**26.74**	**26.09**
(e) Expense recognised in other comprehensive income for the year:		
Return on plan assets excluding amounts included in net interest expense	0.37	0.01
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(2.17)	0.98
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	16.93	21.49
Expense charged to other comprehensive income	**15.13**	**22.48**
Assumptions:		
Discount rate	5.65% to 6.85%	5.20% to 6.05%
Estimated rate of return on plan assets	5.65% to 6.85%	5.20% to 6.05%
Annual increase in salary costs	5% to 6%	5% to 6%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	193.37	173.17
Decrease of 0.5% in discount rate	198.06	177.45
Increase of 0.5% in salary escalation rate	197.85	175.48
Decrease of 0.5% in salary escalation rate	193.54	171.60

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected future Cash outflows towards the plan are as follows:		
Year 1	70.86	64.22
Year 2	43.07	35.45
Year 3	31.96	27.13
Year 4	23.34	19.98
Year 5	16.46	14.39
Year 6 to 10	32.38	28.12

Investment details of plan assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Insurer managed funds with Life Insurance Corporation of India	95%	94%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	6%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by Group for gratuity during financial year ending March 31, 2023 is ₹17.28 million (previous year ₹13.49 million).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 29: Fair Value Measurement

Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows:

(₹. In Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	1,609.68	1,609.68	1,404.88	1,404.88
Cash and cash equivalents	508.70	508.70	369.15	369.15
Other bank balances	14.57	14.57	13.61	13.61
Investment in tax free bonds	5.29	5.29	5.00	5.00
Loans	258.23	258.23	94.94	94.94
Other Financial Asset	719.84	719.84	917.13	917.13
Investment in NSC	0.02	0.02	0.02	0.02
Fair value through profit or loss :				
Investment in mutual funds	5,166.49	5,166.49	2,903.23	2,903.23
Investment in equity instruments	28.62	28.62	28.62	28.62
Investment in tax free bonds	3.50	3.50	3.57	3.57
Total	**8,314.94**	**8,314.94**	**5,740.15**	**5,740.15**
Financial Liabilities :				
Amortised cost :				
Borrowings	450.11	450.11	0.10	0.10
Trade payables	1,177.74	1,177.74	1,026.16	1,026.16
Lease Liabilities	393.96	393.96	67.67	67.67
Other financial liabilities	156.18	156.18	134.70	134.70
Total	**2,177.99**	**2,177.99**	**1,228.63**	**1,228.63**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(₹. In Million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities:	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

(₹. In Million)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets:				
Mutual funds	2,903.23	-	-	2,903.23
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.57	-	-	3.57
Total	**2,906.80**	**-**	**28.62**	**2,935.42**
Financial Liabilities:	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**2,906.80**	**-**	**28.62**	**2,935.42**

Determination of fair values:
The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis.

Investment in mutual funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments: Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

Financial risk management:
The Group activities are exposed to variety of financial risks. These risks include market risk, credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk:
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price risk. Group is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Group invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹5,170.01 million and ₹2,906.82 million as at March 31, 2022 and March 31, 2021 respectively.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(b) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹8,314.94 million and ₹ 5,740.15 million as at March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, loand, other financial assets and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the Group will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the group could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Group generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below:

(₹. In Million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.11	225.00	225.00
Trade payables	1,177.74	-	-
Lease Liabilities	66.58	135.82	310.53
Other financial liabilities	122.12	-	34.06
	1,366.55	**360.82**	**569.59**

(₹. In Million)

As at March 31, 2021	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.10	-	-
Trade payables	1,026.16	-	-
Lease Liabilities	26.77	30.11	20.25
Other financial liabilities	98.51	-	36.19
	1,151.54	**30.11**	**56.44**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group objective for capital management is to maintain the capital structure which will support the Group strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows.

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total loans and borrowings	844.07	67.77
Less : Cash and bank balances	508.70	369.15
Adjusted net debt	**335.37**	**(301.38)**
Total equity	**19,083.11**	**15,764.21**
Adjusted net debt to adjusted equity ratio	**0.02**	**(0.02)**
Debt equity considering only borrowings as debt	**0.04**	**0.00**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022; March 31, 2021.

Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Sr. No.	Nature of Relationship	Name of the entity
1	**Key Managerial Personnel**	
	Managing Director	Mr. Amit Bakshi
	Whole time director (Upto May 31, 2020)	Mr. Himanshu Shah
	Whole time director	Mr. Inderjeet Singh Negi
	Whole time director (From August 04, 2020)	Mr. Kaushal Shah
	Whole time director (From December 20, 2020)	Mr. Krishnakumar Vaidyanathan
	Independent Director (From December 19, 2020)	Mr. Rajeev Dalal
	Independent Director (From January 05, 2021)	Ms. Kalpana Vasantrai Unadkat
	Independent Director	Mrs. Vijaya Sampath
	Independent Director (Upto September 11, 2020)	Dr. Kirit Shelat
	Independent Director	Mr. Prashant Gupta
	Chief Financial Officer	Mr. Sachin Shah
	Company Secretary	Mr. Milind Talegaonkar

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Sr. No.	Nature of Relationship	Name of the entity
2	**Close family member of Key Management Personnel**	
	Brother of Mr. Himanshu Shah (Whole time director) (Upto May 31, 2020)	Mr. Saurabh Shah
	Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
3	**Other Related parties**	
	Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
	Entity controlled by relative of Key Managerial Personnel	Tresna Foundation
	Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

B) Total Transactions with related parties are as follows:

(₹. In Million)

Particulars	Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**	**2021-22**	**2020-21**
Remuneration	119.34	93.72	-	-	-	-	119.34	93.72
Sitting fees	3.23	3.00	-	-	-	-	3.23	3.00
Reimbursement of expense incurred	2.17	1.55					2.17	1.55
Commission	17.50	2.69					17.50	2.69
Stock Options exercised	3.77	-	-	-	-	-	3.77	-
Salary expense	-	-	0.28	0.65	-	-	0.28	0.65
Corporate Social Responsibility	-	-	2.10	-	-	-	2.10	-
Contribution to Post-employment benefit plan	-	-	-	-	16.28	41.88	16.28	41.88
(B)Balances at the end of the year	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**	**As at March 31,2022**	**As at March 31,2021**
Trade Payable	16.14	5.40	0.03	-	-	-	16.17	5.40

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

C) Transactions with related parties are as follows:

(₹. In Million)

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Key Management Personnel compensation**		
	Remuneration*	119.34	93.72
	Sitting fees	3.23	3.00
	Reimbursement of expense	2.17	1.55
	Commission	17.50	2.69
	Stock Options exercised	3.77	-
2	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.28	0.65
	Corporate Social Responsibility	2.10	-
3	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.28	41.88

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

(₹. In Million)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Key Management Personnel compensation**		
	Trade payable	16.14	5.40
2	**Close family member of Key Management Personnel compensation**		
	Trade payable	0.03	-

Note 31: Contingent Liability and Capital Commitment:

(₹. In Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	173.52	164.62
Notices regarding Income-tax matters and from sales tax department	2.74	13.68
Others	68.83	17.74

Note: The Parent Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier year. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for Nil (Previous year ₹28.92 million).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

The Parent Company has given letter of comfort to bank for credit facilities upto ₹1,500 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of letter of comfort, the Parent Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Parent Company does not expect any outflow of resources in respect of the above.

Note 32: Leases Rent Ind AS 116:

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

(₹. In Million)

Changes [increase/(decrease)]	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation and Amortisation	44.03	38.12
Finance costs on lease liability	28.23	7.93
Cash Flow From Lease	(115.66)	(59.44)
Cash Flow From Lease interest	(28.23)	(7.93)

Note 33: Employee Stock Option Plan (ESOP)

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹1 each for an exercise price of ₹451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

"Method used for accounting of share-based payment plans"

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method is ₹13.55 million (Previous year ₹11.20 million).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Employee stock options details as on the balance sheet date are as follows:

(₹. In Million)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	**2,73,709**	**451.04**	**3,21,930**	**451.04**
Granted during the year	-	-	-	-
Vested during the year	59,197	451.04	68,176	451.04
Exercised during the year	1,49,544	451.04	-	-
Lapsed during the year	16,629	451.04	48,221	451.04
Options outstanding at the end of the year	1,07,536	451.04	2,73,709	451.04
Options available for grant	98,107	451.04	49,886	451.04
Options exercisable at the end of the year	53,826	451.04	1,56,977	451.04

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.00
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹1 each for an exercise price of ₹557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2021-22 is NIL.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	-
Granted during the year	2,14,102	557.24
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Options outstanding at the end of the year	2,14,102	557.24
Options available for grant	11,44,528	-
Options exercisable at the end of the year	0	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	February 10, 2022
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	**341.62**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 34: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

	Particulars	March 31, 2022	March 31, 2021
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	Principal amount due remaining unpaid	71.80	72.75
	Interest amount due remaining unpaid	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Note 35: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group chief operating decision maker is the managing director and the group has only one reportable business segment i.e. 'pharmaceuticals'.

Note 36: Regrouping

Previous year figures have been regrouped wherever necessary, so as to make them comparable with those of the current year.

Note 37 (A): Additional information as required by Paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Details of entities consolidated-

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2022	Proportion of Ownership Interest as on March 31, 2021
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	Subsidiary	India	70.00%	100.00%
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	Subsidiary	India	100.00%	100.00%
Eris Pharmaceuticals Private Limited*	Subsidiary	India	76.00%	76.00%
Eris Healthcare Private Limited	Subsidiary	India	100.00%	100.00%
Eris Therapeutics Limited#	Subsidiary	India	100.00%	NA

*Became subsidiary of Eris Healthcare Private Limited w.e.f. June 2, 2020

Incorporated on June 23, 2021

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2022)		Share in Profit or (Loss) 2021-22		Share in Other Comprehensive Income (OCI) 2021-22		Share in Total Comprehensive Income (TCI) 2021-22	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.5%	19,185.56	102.8%	4,171.92	102.3%	(10.05)	102.8%	4,161.87
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	0.0%	(3.58)	-0.5%	(19.62)	0.0%	-	-0.5%	(19.62)
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.2%	235.01	2.0%	79.65	-0.5%	0.05	2.0%	79.70
Eris Pharmaceuticals Private Limited	0.0%	0.01	0.0%	(0.04)	0.0%	-	0.0%	(0.04)
Eris Healthcare Private Limited	2.3%	442.17	-2.5%	(100.60)	-1.8%	0.18	-2.5%	(100.42)
Eris Therapeutics Limited	1.3%	250.08	0.0%	-	0.0%	-	0.0%	-
Adjustments arising out of consolidation	-5.4%	(1,027.22)	-1.8%	(73.42)	0.0%	-	-1.8%	(73.42)
Total	**100.0%**	**19,082.03**	**100.0%**	**4,057.89**	**100.0%**	**(9.82)**	**100.0%**	**4,048.07**
Non controlling Interest in subsidiaries		(1.08)		3.24		-		3.24
Total		**19,083.11**		**4,061.13**		**(9.82)**		**4,051.31**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2021)		Share in Profit or (Loss) 2020-21		Share in Other Comprehensive Income (OCI) 2020-21		Share in Total Comprehensive Income (TCI) 2020-21	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	99.9%	15,754.67	98.7%	3,506.05	86.0%	(12.80)	98.8%	3,493.25
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	0.1%	15.26	0.1%	3.34	0.0%	-	0.1%	3.34
Aprica Healthcare Limited (Formerly known as UTH Healthcare Limited)	1.3%	205.30	2.3%	82.17	14.1%	(2.10)	2.3%	80.07
Eris Pharmaceuticals Private Limited	0.0%	0.05	0.0%	(0.05)	0.0%	-	0.0%	(0.05)
Eris Healthcare Private Limited	3.4%	542.59	-0.7%	(24.27)	-0.1%	0.01	-0.7%	(24.26)
Adjustments arising out of consolidation	-4.8%	(753.65)	-0.4%	(15.89)	0.0%	-	-0.4%	(15.89)
Total	**100.0%**	**15,764.23**	**100.0%**	**3,551.35**	**100.0%**	**(14.89)**	**100.0%**	**3,536.46**
Non controlling Interest in subsidiaries		0.02		-		-		-
Total		**15,764.21**		**3,551.35**		**(14.89)**		**3,536.46**

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 37 (B): Other statutory information

i). The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

v). The Group does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii) Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2022. (Refer Note 10)

(b) Investment made by the Company as at March 31, 2022. (Refer Note 3)

(c) No Guarantee has been given by the Company as at March 31, 2022. (Refer note 31)

Note 38: Items included in Financial Activities

(₹. In Million)

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	67.67	(143.89)	474.45	(4.27)	393.96
Borrowing	0.10	-	450.00	0.01	450.11

(₹. In Million)

	As at March 31,2020	Cash Flows	Net Additions	Other Changes	As at March 31, 2021
Lease Liability	121.43	(67.37)	6.67	6.94	67.67
Borrowing	-	-	0.10	-	0.10

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2022

Note 39: Change in method of Depreciation and Amortisation

During the year, the Management has reassessed the useful life of brands after taking into consideration prevalent industry practices. Based on the said reassessment, useful life of Brands in Intangible assets has been revised to 20 years from 50 years with effect from April 01, 2021.

During the year, the Management has also reassessed the method of providing depreciation on tangible assets after taking into consideration past experience and expected usage. Based on the said reassessment, method of depreciation has been changed to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment and Right of Use assets with effect from April 01,2021.

The Company has accounted for these changes in estimate of useful life and depreciation method prospectively and consequently, depreciation and amortisation expense for the year ended March 31, 2022 is higher by ₹64.41 Million.

Note 40: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: June 15, 2022

Milind Talegaonkar
Company Secretary
Membership No-A26493

NOTICE

NOTICE IS HEREBY given that the sixteenth Annual General Meeting (AGM) of the Members of Eris Lifesciences Limited will be held on Thursday, 01st September 2022 at 11:00 A.M. IST, through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements including Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2022 and the reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Amit Bakshi, (DIN: 01250925) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the Financial Year ending March 31, 2023 and in this regard, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** subject to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof), the Company hereby ratifies the remuneration to be paid as set out in the Explanatory Statement annexed to the Notice convening the sixteenth annual general meeting to M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad, appointed as the Cost Auditors by the Board of Directors to conduct the audit of cost records maintained by the Company for the Financial Year 2022-23.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

4. To re-appoint Mr. Prashant Gupta as an Independent Director of the Company and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution;**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Prashant Gupta (DIN: 08122641) who was appointed as an Independent Director of the Company commencing April 30, 2018 and holds office as an independent director up to April 29, 2023 and who is eligible for re-appointment and who meets the criteria for Independence as provided under section 149 (6) of the Act along with rules framed thereunder and Regulation 16 (1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and the Board of Directors of the Company along with a notice in writing by the member of the Company proposing his candidature for office of Independent Director be and is hereby re-appointed as an independent director, not liable to retire by rotation, for a second term of five years with effect from April 30, 2023 up to April 29, 2028.

   RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby severally authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

5. To appoint Mr. Sujesh Vasudevan as an Independent Director of the Company and in this regard, to pass with or without modification(s), the following resolution as an **Special Resolution;**

   "**RESOLVED THAT** Mr. Sujesh Vasudevan (DIN: 08240092), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and the Board of Directors of the Company along with a notice in writing by the member of the Company proposing his candidature for the office of Director, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years up to July 24, 2027.

   RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby severally authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution."

By order of the Board of Directors

Date: 5th August 2022
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
Mem. No. A26493

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

MCA by Circular No. 2/2022 dated 5th May, 2022 and SEBI vide its Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 have extended the above exemptions till 31st December, 2022 and accordingly in compliance with applicable provisions of the Companies Act, 2013 and the said Circulars the:

a. Notice of the AGM along with Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories.

b. 16th AGM of the Members will be held through VC / OAVM.

2. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054.

3. The Company has engaged the services of National Securities Depository Limited (NSDL), as the authorized agency for conducting the AGM, providing remote e-voting and e-voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent paragraphs.

4. Corporate members intending to authorize their representatives to attend the Meeting are requested to submit to the Company, a certified copy of the Board Resolution / authorization document authorizing their representative to attend and vote on their behalf at the Meeting.

5. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of business under Item Item No. 3 to 5 of the Notice, are annexed hereto. All documents referred to in the accompanying Notice and the Registers under the Companies Act, 2013 will be available electronically for inspection by the members during the AGM.

6. The Register of Members and Share Transfer Books of the Company will remain closed on August 25, 2022.

7. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website https://eris.co.in/. The Notice and the Annual Report can also be accessed from the website of NSDL www.evoting.nsdl.com., websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. The information required to be given for the Director(s) seeking appointment/ reappointment at the AGM as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 issued by the Institute of Company Secretary of India and notified by the Ministry of Corporate Affairs forms part of the Notice as "Annexure".

10. Notice of the sixteenth Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting and e-voting during the meeting is being sent to the members, whose email addresses are registered with the Company or Depository Participant[s] for communication purposes.

11. Members who have not registered their e-mail address with the Company may temporarily register the same with the Company's Registrar and Share Transfer Agent i.e. M/s Link Intime India Private Limited as per the process described below:

- Members holding shares in electronic/demat form, please update your email address with your depository participants. However, Members may temporarily register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in the Investor Services tab by providing details such as Name, DP ID, Client ID, PAN mobile number and e-mail address.
- Members holding shares in physical form and who have not registered their email address may register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in Investor Services tab by providing details such as Name, Folio number, Certificate number, PAN mobile number and email address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB)

On submission of the above member detail, One Time Password (OTP) will be received by the Member which needs to be entered in the link for verification.

12. The aforementioned mechanism of registration of email ids for the purpose of e-voting will be also given by the Company in the Public Notice. Further, the date of completion of sending of the Notice and the Explanatory Statement will be announced through advertisement in newspapers having wide circulation in the district where the Registered Office of Company is situated.

13. The certificate from the Auditors relating to the Company's Stock Options regarding implementation of ESOP, under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection at the Annual General Meeting.

14. At the 15th AGM held on September 01, 2021, the members approved the appointment of M/s Deloitte Haskin & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as Statutory Auditors of the Company to hold office for a period of four years from the conclusion of that AGM till the conclusion of the Nineteenth AGM,. The requirement to place the matter relating to the appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of the appointment of statutory auditors at the sixteenth AGM.

15. The attention of the Shareholders is invited to the Notice of Annual General Meeting of the Company dated 29th July 2021 ("AGM Notice-2021"), wherein item no.12, grouped under special business, together with the explanatory statement thereto dealt with the consideration and approval of Eris Lifesciences Employees Stock Option Plan, 2021 ("ESOP-2021") vide a special resolution. The said resolution was duly approved by the shareholders. The said resolution and its applicable explanatory statement had reference to the erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. Subsequent to the issue of the AGM Notice-2021, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 were notified on 13th August, 2021 ("ESOP Regulations-2021").

In terms of the review carried out by the Company and also the review carried out by the Merchant Bankers, and the Secretarial Auditors the Scheme formulated on the basis of erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is found to be aligned with the provisions of ESOP Regulation -2021 and accordingly all actions to be taken in terms of ESOP-2021 shall be in conformity with the provisions of ESOP Regulations-2021 (as amended from time to time).

16. Members holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.

17. Non-resident Indian shareholders are requested to inform about the change in the residential status on return to India for permanent settlement, immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be.

18. The Board of Directors has appointed Mr. Ravi Kapoor, Practicing Company Secretary (FCS No. 2587; COP No 2407) to act as Scrutinizer for conducting the e-voting and remote e-voting process in a fair and transparent manner.

19. The Scrutinizer will submit his report to the Chairman or any other Director/person of the Company as authorised by the Board, if any, after completion of the scrutiny of the e-votes submitted. The Scrutinizer's decision on the validity of the e-votes shall be final. The results of the postal ballot through e-voting will be announced on or before Saturday, September 03, 2022 at the Registered Office of the Company. The results, together with the Scrutinizer's Report, will be displayed at the Registered Office of the Company and on the Company's website viz., www.eris.co.in, besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

20. Voting through electronic means:

a) The business as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with the Companies [Management and Administration] Rules, 2014, Secretarial Standards-2 issued the Institute of Companies Secretaries of India on General Meetings and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with NSDL to facilitate the members to cast their votes from a place other than the venue of the AGM [remote e-voting].

b) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

c) The Notice will be displayed on the website of the Company www.eris.co.in and on the website of NSDL i.e www.evoting.nsdl.com.

d) The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.

e) The remote e-voting period will commence at 9:00 a.m. (IST) on Monday, August 29, 2022 and will end at 5:00 p.m. (IST) on Wednesday, August 31, 2022. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, August 25, 2022 may cast their vote by remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter.

21. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

22. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Monday, August 29, 2022 at 09:00 A.M. and ends on Wednesday, August 31, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, August 25, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 25, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ravi@ravics.comwith a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Matre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to complianceofficer@erislifesciences.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID+CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to complianceofficer@erislifesciences.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at complianceofficer@erislifesciences.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 4 (four) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at complianceofficer@erislifesciences.com.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts related to Special Businesses mentioned in the accompanying notice:

Item No. 3

In accordance with the provisions of section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company pertaining to the applicable products manufactured by the Company. On the recommendation of the Audit Committee, the Board of Directors have approved the re-appointment of M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2022-2023, at a remuneration of Rs. 1,75,000/-.

M/s. Kiran J Mehta & Co. Cost Accountants have furnished a certificate regarding their eligibility for appointment as the Cost Auditors of the Company. As per the provisions of the Act read with the Rules, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 3 of the Notice.

Accordingly, consent of the members is sought by way of an Ordinary Resolution respectively as set out in Item No. 3 of the Notice.
The Board recommends the Resolution for your approval and ratification.

Item no. 4

Mr. Prashant Gupta was appointed as an Independent Director on the Board of the Company through Circular resolution passed by the Board of Directors of the Company on 30th April, 2018, to hold office upto 29th April, 2023 ("first term").

The Board of Directors, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered his professional background, expertise and experience and contributions made by him towards the Company during his tenure and found that the continued association of Mr. Prashant Gupta would be beneficial to the Company. Hence, it is desirable to re-appoint him in order to avail his services as an Independent Director without any disruption.

Accordingly, it is proposed to approve the re-appointment of Mr. Prashant Gupta as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 30th April, 2023 upto 29th April, 2028.

Mr. Prashant Gupta is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 ("the Act") nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as an Independent Director and has given his consent to act as a Director. The Company has also received a declaration from Mr. Prashant Gupta that he meets the criteria of independence as prescribed in under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Details of Mr. Prashant Gupta are provided in Annexure to this Notice, pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The terms and conditions of his appointment shall be available on the website of the Company and open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM.

Brief profile: Mr. Prashant Gupta holds a degree of Bachelor of Arts in Jurisprudence and Master of Arts in Jurisprudence from the University of Oxford, England, and a Bachelor of Commerce from the Shri Ram College of Commerce, University of Delhi. He is member of the Bar Council of Delhi and State Bar of California. He is a Partner in the corporate department of Shardul Amarchand Mangaldas.

Mr. Prashant has been recognized by Who's Who Legal, Chambers Asia, Indian Lawyer 250, Legal 500 and other legal industry publications as one of the leading capital markets practitioners in India. He has also been selected by the Indian Business Law Journal as one of the top 100 lawyers in India in 2016 and 2017. Considering his experience, the Board recommends the said re-appointment.

Mr. Prashant Gupta is interested in the resolution set out at Item No. 4 of the Notice with regard to his re-appointment. Relatives of Mr. Prashant Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of a Special Resolution respectively as set out in Item No. 4 of the Notice.
The Board recommends the Resolution for your approval

Item no. 5

The Board of Directors had appointed Mr. Sujesh Vasudevan (DIN: 08240092), as an Additional Director of the Company classified as an Independent Director, for a term of five years commencing from July 25, 2022, subject to the approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Mr. Sujesh Vasudevan shall hold office upto the date of this AGM and is eligible to be appointed as an Independent Director.

The Company has, in terms of Section 160(1) of the Act, received a recommendation of Nomination and Remuneration Committee of the Company, recommending his candidature for the office as an Independent Director.

Accordingly, it is proposed to approve the appointment of Mr. Sujesh Vasudevan as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 25 July 2022 upto 24 July 2027.

Mr. Sujesh Vasudevan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 ("the Act") nor debarred from holding the office of director by virtue of any SEBI order or any other such authority from being appointed as an Independent Director and has given his consent to act as an Independent Director.

The Company has also received a declaration from Mr. Sujesh Vasudevan that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Details of Mr. Sujesh Vasudevan are provided in Annexure to this Notice, pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The terms and conditions of his appointment shall be available on the website of the Company and open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM.

Brief profile: Mr. Sujesh Vasudevan, a Harvard alumnus, brings 31+ years of experience in the pharma industry across leading Indian and global companies such as Glenmark, Abbott, and Torrent in the areas of Sales & Marketing and Business Development. He has built and led international businesses for some of these companies. Mr. Sujesh is a Senior Advisor to the Boston Consulting Group (BCG) and a Consultant to Warburg Pincus.

Mr. Sujesh Vasudevan is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Relatives of Mr. Sujesh Vasudevan may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of an Special Resolution as set out in Item No. 5 of the Notice.

The Board recommends the Resolution for your approval.

By order of the Board of Directors

Date: 5th August, 2022
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
Mem. No. A26493

ANNEXURE TO THE NOTICE

The information required to be given for the Directors seeking appointment/ reappointment at the Annual General Meeting as per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SS-2 are as under:

Mr. Prashant Gupta	
Age	42 Years
Qualifications	Bachelor of Arts in Jurisprudence and Master of Arts in Jurisprudence from the University of Oxford, England.
Nationality	Indian
Experience	Mr. Prashant Gupta holds a degree of Bachelor of Arts in Jurisprudence and Master of Arts in Jurisprudence from the University of Oxford, England, and a Bachelor of Commerce from the Shri Ram College of Commerce, University of Delhi. He is member of the Bar Council of Delhi and State Bar of California. He is a Partner in the corporate department of Shardul Amarchand Mangaldas.
Expertise in specific functional areas	
Date of first appointment on the Board	30 April 2018
Shareholding in the Company as on March 31, 2022	NIL
Remuneration last drawn (FY 2021-22)	6.15 Million
Remuneration proposed to be paid	Fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2022 (Other than Eris Lifesciences Limited)	None
Names of Listed entities from which the person has resigned in the past three years	None
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2022	1
Number of Board Meetings attended for the Financial Year 2021-22	4
Justification for choosing the appointees for appointment as Independent Directors shall be disclosed	Demonstrated proficiency and Independence during the meetings of the Board and Committees attended since his last appointment.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Financial expertise, legal expertise and out of industry perspective

Mr. Sujesh Vasudevan	
Age	~56 Years
Qualifications	• Mr. Sujesh Vasudevan is a Harvard Alumni • He holds a degree of Masters in Management Studies, Mumbai • Bachelor of Pharmacy, Mumbai
Nationality	Indian
Experience	Mr. Sujesh Vasudevan, a Harvard alumnus, brings 31+ years of experience in the pharma industry across leading Indian and global companies such as Glenmark, Abbott, and Torrent in the areas of Sales & Marketing and Business Development. He has built and led international businesses for some of these companies. Mr. Sujesh is a Senior Advisor to the Boston Consulting Group (BCG) and a Consultant to Warburg Pincus.
Expertise in specific functional areas	
Date of first appointment on the Board	25 July 2022
Shareholding in the Company as on March 31, 2022	NIL
Remuneration last drawn (FY 2021-22)	NIL
Remuneration proposed to be paid	Fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.
Relationship between directors inter-se, Manager and other Key Managerial Personnel of the company	None
Directorships held in other Listed Companies as on March 31, 2022 (Other than Eris Lifesciences Limited)	None
Names of Listed entities from which the person has resigned in the past three years	None
Memberships / Chairmanships of Committees (Audit and Stakeholder) in includes all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies as on March 31, 2022	NA
Number of Board Meetings attended for the Financial Year 2021-22	NA
Justification for choosing the appointees for appointment as Independent Directors shall be disclosed	He brings with him a blend of core pharmaceutical experiences across functions like business development, marketing, and sales
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Pharmaceutical Industry expertise and Marketing of bands in the Pharma Market

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15

YEARS OF
EXCELLENCE

www.eris.co.in

Eris

POWER OF EMPATHY
TRUTH OF SCIENCE

ERIS LIFESCIENCES LTD
Shivarth Ambit, Plot No. 142/2,
Ramdas Road. Off SBR,
Near Swati Bungalows, Bodakdev,
Ahmedabad - 380054
Phone : +91-79-69661000/1001

Eris

POWER OF EMPATHY
TRUTH OF SCIENCE

17th ANNUAL REPORT 2022-2023

FORWARD-LOOKING STATEMENTS

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

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Op. Revenue (INR)
16,851 mn
25.1% yoy growth

PAT (INR)
3,742 mn
22.2% Margin

EBITDA (INR)
5,367 mn
31.9% Margin

Dividend Payout Ratio
26 %

EPS (INR)
28

Cash EPS (INR)
34

RoIC*
20 %

RoE*
22 %

**RoIC and RoE are excluding treasury investments, cash & cash equivalents*

PATIENT CARE INITIATIVES

Driven to Prioritize Better Clinical Outcomes

Effective Patient Care has become more important than ever for better clinical outcomes. Patient centricity holds a key role in offering better screening, monitoring and diagnosis and thereby help in the enhancement of routine clinical activities. The role of patient education and awareness cannot be overstated in reducing the nation's burden of disease management.

Recognizing our role as a responsible partner in the healthcare delivery ecosystem and to empower patients to take charge of their health, we are now facilitating 1,600+ ABPMs per month, and 700+ CGMs per month.

Scientific data driven approach of these progressive healthcare solutions has strengthened Eris's relationship with Key Opinion Leaders and Specialist doctors and has provided Eris with an unhindered mind-space and superior facetime with the prescriber community.

There is no greater measure of our efforts than the outcomes we enable.

The Ambulatory Blood Pressure Measurement on Call is a flagship initiative that aims at creating awareness regarding 24-hour blood pressure measurement. ABPM is the Gold standard tool recommended by all major international guidelines to diagnose hypertension/monitor treatment & assess CV risk in patients of hypertension.

Till now over **9,000** clinicians have used this service and over **130,000** patients have been screened through ABPM on Call.

Aims at creating awareness amongst clinicians regarding 24 hours AECG –Ambulatory Electrocardiogram – measurement, in place of routine monitoring of limited number of heart beats. It is a portable device that measures and records the heart's activity (ECG) continuously for 24 hours to 72 hours to diagnose arrhythmia.

Till now over **68,000** patients have been screened.

A blood glucose meter provides a snapshot of glucose levels at a single moment in time. Continuous Glucose Monitoring (CGM) system gives you a better view of glucose trends and can provide valuable information at crucial points during the day.

Till now over **48,000** patients have been screened.

Sleep Study on call initiative helps to understand the link between Cardiac diseases and sleep disorders. Eris supports clinicians to introduce the practice of diagnosing sleep apnea, thus facilitating patient education, diagnosis, interpretation of the results & treatment planning.

Till now over **24,000** patients have been screened.

Specialists now believe that adult diseases like hypertension and diabetes have their genesis in the womb known as FOAD (Fetal Origin of Adult Disease).

Montana ANC Associate is a FOGSI-Eris Patient Care Initiative aimed at bridging the current gaps in diagnosis critical to detect Hb, PIH and GDM thereby strengthening Ante-Natal Care and prevent FOAD by facilitating the point of care diagnostic support.

Till now over **2,00,000** patients have been screened through Montana ANC Associate.

INDIA CENTRIC STUDIES

Cardiovascular Risk Factors of Airport Visitors in India: Results from A Nation-Wide Campaign

Study was undertaken to set up health care screening booths at eight airports and one hospital throughout India to increase awareness and determine cardiovascular risk factors. Participants were screened for Hypertension, Diabetes and BMI

Participants screened: 100,107

Prevalence of diabetes was 12,571, Hypertension: 30,345 and Overweight: 61,219 among the participants screened. Hypertension and diabetes prevalence values were relatively high in young obese adults.
Among obese women aged 60 years and older the hypertension prevalence was higher than 40% and a similar hypertension prevalence was observed in obese men as well.

Published in the Journal of Clinical Hypertension

Clinical Relevance of Double-Arm Blood Pressure Measurement and Prevalence of Clinically Important Inter-Arm Blood Pressure Differences in Indian Primary Care

Study was aimed to provide insight into the prevalence of clinically important Inter-Arm Difference (IAD) in BP measurement in a large Indian primary care cohort

Participants screened: 134,678

BP is above the diagnostic threshold for hypertension in one arm only for 6% of participants.
Study emphasizes the importance of undertaking bilateral BP measurement in routine clinical practice.

Published in the Journal of Clinical Hypertension

Usefulness of ABPM for Hypertension Management in India: The India ABPM Study

Study reports differences between Office Blood Pressure Measurement (OBPM) and Ambulatory Blood Pressure Measurement (ABPM) in a large multi-centre Indian all comers' population visiting primary care physicians.

Participants screened: 27,472

Contradiction between OBPM and ABPM in BP diagnosis in approximately one-third of all patients, and a substantial number of patients had Isolated Night-time Hypertension (INH). Using ABPM in routine hypertension management can lead to a reduction in burden and associated costs for Indian healthcare.

Published in the Journal of Human Hypertension

Blood Pressure Related to Age: The India ABPM Study

Study reports trends in Office Blood Pressure Measurement (OBPM) and Ambulatory Blood Pressure Measurement (ABPM) with age in a large multi-centre Indian all comers' population visiting primary care physicians.

Participants screened: 27,472 (Age: 51 ± 14 years)

OBPM is higher than all three types of ABPM (24 hours, day, night) for all ages and that there are age related differences in circadian BP pattern. Night-time BP increased more with age than daytime so that there is higher prevalence of non-dippers and Isolated Night-time Hypertension (INH) with older age as compared to younger subjects

Published in the Journal of Clinical Hypertension

Blood Pressure and Heart Rate Related to Sex in Untreated Subjects: The India ABPM Study

Study aims at investigating sex-related differences in Blood Pressure (BP) and Heart Rate (HR) pattern in an Indian all comers' population visiting primary care physicians and who were assigned to undergo ABPM by their physician

Participants screened: 14,977

Women had more often Isolated Night-time Hypertension (INH), a lower BP and HR dip than men. As night-time BP is a significant cardiovascular risk predictor, 24-h ABPM is especially important for women

Published in the Journal of Clinical Hypertension

FY23 – A YEAR OF STRATEGIC INVESTMENTS

Acquisition of 9 Derma Brands from Dr. Reddy's
Augment the Cosmetic Dermatology Franchise
Acquisition of 9 Derma Brands from Glenmark
Strengthen Presence in Medical Dermatology
Acquisition of Oaknet Healthcare
Entry into the Dermatology Therapy
Field Force Expansion
Strengthen Diabetes & Women's Health teams
Commerced Insulin operations with MJ Biopharm
Entry into India's Insulin and GLP1 Agonists Market
Commissioning of New Manufacturing Plant in Gujarat
Long Term Manufacturing Strategy - Capacity Expansion

CMD's LETTER
to Shareholders

Amit Bakshi
Chairman and Managing Director

Dear Shareholders,

It gives me immense pleasure to note that we have entered our 16th year of operations. Our growth strategy has significantly evolved with the addition of several new growth engines in FY23. While we clocked our "First 1,000 crore" of revenue in 13 years, we are close to adding the "Next 1,000 crore" of revenue in just 4 years by deploying our consistent cashflows along with external funding to accelerate our growth trajectory.

We invested Rs. 1,265 crore in consummating 3 Dermatology acquisitions in FY23. This has been our largest single-year investment, and that too in a single therapy. Notwithstanding that Dermatology is a large and attractive therapy, I need to acknowledge that this investment was not an easy decision, and it took a lot of heart and conviction on our part. This conviction came from three aspects of our business understanding. Firstly, based on our expertise in chronic therapies built over the last 16 years, we carry strong conviction on the stickiness of "old gold" brands and the affinity that doctors and patients have for them. Secondly, we have developed a strong understanding of the psyche of super-specialists in our country and the science-led engagement model that is required to forge lasting relationships with them. And lastly, we saw that the deals provided an arbitrage opportunity in the sense that these were fundamentally good businesses which had been sub-optimally managed. These three aspects formed the cornerstones of our deal evaluation strategy.

Post the acquisition of Oaknet, we approached the business with an "owner manager" mindset and with a complete willingness to roll up our sleeves and do the hard work to create value. We undertook a slew of value creation initiatives focused on product range expansion, driving sales and marketing excellence and expansion of specialist coverage. Within 6 months of the acquisition, we could start seeing early impact in terms of an acceleration in organic growth and margin expansion and we started getting the conviction that we have a strong base there which we can build on. Hence when we got the opportunity to bring in complementary products through the Glenmark and DRL bolt-on deals in Q4 FY23, we had the confidence to go ahead. I am happy to note that our thesis has delivered tangible results in Oaknet's very first year with us, with the business clocking a 22% organic growth in FY23 after a spell of 3 flat years during FY20-FY22. The EBIDTA margin has expanded from 10% in FY22 to 24% in FY23 and we are confident of a significant expansion in FY24.

FY23 also represented the first full year of operations of our Insulin business through Eris MJ Biopharm. By curating a winning basket of Product, Technology and Service, we have created tangible impact in this market in our very first year with ~ 60,000 patients on our therapy. We have two commercialized products at present – Human Insulin and Glargine – with an exciting pipeline consisting of Liraglutide and other insulin analogs. We expect this business to scale up rapidly in the years to come.

We continue to look forward to an exciting era of growth driven by our core as well as emerging therapies. On behalf of the Board of Directors, I extend my gratitude to all stakeholders for their continuing trust and support.

With Warm Regards,

Amit Bakshi
Chairman and Managing Director

FROM THE COO's DESK

Krishnakumar V
Executive Director & Chief Operating Officer

Greetings. It has been over 2 years serving as the COO of your company. With revenues of INR 1,685 crore and EBIDTA of INR 537 crore, FY23 has been a year of significant investment in, and diversification of the business. These investments have been in terms of (i) Creation of a Dermatology business, (ii) Launch of a greenfield Insulin business, (iii) Expansion of our manufacturing footprint, and (iv) Acceleration of new product launch momentum across therapies. I am happy to share that we have made significant progress across all our strategic priorities and we will start seeing tangible results from FY24 onwards.

Since its acquisition in May '22, Oaknet has scaled up to deliver an FY23 organic revenue growth of 22% and a total revenue growth of 28%. Oaknet has demonstrated a significant EBIDTA margin expansion from 10% to 24% since the time of acquisition, and we expect further expansion in FY24. This may well rank among the quickest value-creation stories in the M&A world, and has come about through a combination of prudent "pre deal" screening and differentiated "post deal" execution. Our pre-deal screening focuses on ensuring early evidence of value creation opportunities including (i) "String of Pearls" approach to ensure strategic fit with our specialty requirements, (ii) "Arbitrage Opportunity" - Fundamentally good businesses which are sub-optimally run, and (iii) "Financial Discipline" – Metrics like Gross Margin, Growth, YPM, Debt-EBIDTA ratio, Deal IRR, Simple Payback, etc.

Our greenfield Insulin venture with MJ Biopharm has clocked INR 17 crore of revenue in its first year of operations. This business has recorded an operating loss of INR 20 crore in FY23. We expect the losses to narrow in FY24 and the business is expected to be profitable starting FY25.

We have significantly diversified our revenue base in FY23. While Diabetes and Cardiac Care remain our flagship therapies, they now contribute 49% to the business, down from 60% in FY22. The share of the 3 Emerging therapies (Dermatology, CNS and Women's Health) has increased to 26% of revenue from 12% last year. Our Cardio-Metabolic portfolio has delivered an 18% growth in FY23 vs. a market growth of 8%, while our emerging therapies have delivered a 17% growth in FY23 vs. a market growth of 15%.

Our Top-20 mother brands account for 70% of our revenue and have clocked a 17% growth in FY23. 15 of these brands are ranked among the Top-5 in their therapies. With Glimisave crossing the Rs.300 crore mark and Zomelis crossing the Rs. 100 crore mark, we now have 4 mother brands with revenues of Rs. 100+ crore, 6 mother brands with revenues of Rs. 70-80 crore and 5 mother brands with revenues of Rs. 50-60 crore. We continue to ride the patent expiry pipeline well with Top-5 market ranks in several strategic products such as Glura, Gluxit-S, Zomelis-D and Zayo; we look forward to maintain this track record going forward.

Our greenfield manufacturing facility in Gujarat began commercial operations in March 2023 and augments our capability in oral solids, oral liquids, sterile injectables and creams/ ointments (in process). We expect to accrue significant insourcing and fiscal benefits starting FY24. We have kick-started our Formulations Development programme in this facility with a pipeline of several "first in market" FDCs that are expected to be commercialised in FY24 and beyond.

Our flagship patient care initiatives have scaled up significantly with "ABPM on Call" crossing ~ 1,30,000 patients, "CGM on call" crossing 48,000 patients and "Sleep Study on call" crossing 24,000 patients. We have also augmented the range of India-focused studies facilitated by us, with several scientific research publications in reputed International and Indian journals. We have strengthened our digital marketing platform with various AR and VR programs thereby adding more momentum to our Patient Care Initiatives and physician engagement.

Our business has grown three-fold since the year FY17. However, we have maintained an average EBIDTA Margin of 35% and operating cash conversion ratio of ~ 75% during FY17 to FY23; these ratios rank among the best in the industry. We will continue to execute on our growth levers of (i) Power Brands Expansion, (ii) New Product opportunities, (iii) Expansion of Physician Coverage and (iv) Leveraging our balance sheet to leapfrog growth in strategic areas, while preserving our industry-leading financial metrics. I look forward to the support and guidance of our Board and my colleagues as we move forward in the new year.

With Warm Regards,

Krishnakumar V
Executive Director & Chief Operating Officer

FROM THE CFO's DESK

Sachin Shah
Chief Financial Officer

Greetings. We clocked a consolidated revenue of INR 16,851 mn in FY23, which represents a year on year (yoy) growth of 25%. Our consolidated EBITDA was INR 5,367 mn and consolidated PAT was INR 3,742 mn. We delivered an EPS of INR 28 for the year with a Cash EPS of INR 34.

As per AWACS, our growth for the year was 14%, compared to a 9% growth in the IPM, with all our 6 key therapies having witnessed market-leading growth. Our cardio-metabolic therapy grew by 18%, which is more than twice the market growth of 8%. With our foray into Dermatology in FY23, our 3 Emerging Therapies (Dermatology, Neuropsychiatry and Women's Health) have become an important component of our business with a 26% revenue share. These Emerging therapies grew by 17% yoy compared to a market growth of 15%. Our VMN segment which accounts for 16% of our business grew by 8% vs. the market growth of 7%.

Our standalone revenue growth for FY23 stood at 9.5% overall and 15.6% excluding the impact of Covid products and "at risk" launches. Our consolidated revenue growth for FY23 stood at 25% overall and 31% excluding the impact of Covid products and "at risk" launches.

The standalone gross margin stood at 82.2% in FY 23, down 134 bps yoy due to a higher proportion of third-party sourcing this year. We have maintained an average standalone gross margin of 83% over the last 4 years, which is one of the highest in the industry. I am happy to share that our standalone gross margin has recovered to 84.5% in Q4 FY23.

The consolidated gross margin stood at 79.1% in FY 23, down 172 bps yoy driven by the impact of Oaknet and several new product launches including our Insulin products. We continued to maintain a consolidated Gross Margin of close to ~ 80% despite the dilution in margins caused by the amalgamation of the new businesses – specifically Oaknet and our greenfield Insulin piece. With Oaknet performance getting stronger and our Insulin volumes scaling up, we expect a significant uptick in consolidated Gross Margin as well as EBIDTA margin in FY24. Preservation of a consolidated gross margin of ~ 80% has been an integral component of growth strategy all these years and will continue to remain so in future as well. We expect the consolidated gross margin to improve starting FY24 in tandem with Oaknet margin expansion, narrowing of insulin operating losses and scale-up of new products.

The standalone employee expenses grew by 15% yoy as we expanded our field team by ~ 170. The consolidated employee expenses were INR 3,462 mn, up by 38% yoy. This was driven by two factors – (i) creation of a 200-member field team in Eris MJ for our Insulin business, and (ii) the amalgamation of the Oaknet team. Standalone other expenses grew by 8% yoy while consolidated other expenses grew by 27%, again driven by Oaknet and Eris MJ.

The standalone EBITDA stood at INR 5,051 mn representing a 38% margin and down ~ 185 bps yoy largely driven by the 134 bps increase in COGS. Consolidated EBITDA stood at INR 5,367 mn, representing a 32% margin as guided by us at the start of the year.

Depreciation and amortization expenses for FY23 were INR 1,171 mn, of which INR 798 mn was accounted for by the amortization of intangibles acquired. Finance cost for the year was INR 262 mn.

Standalone Profit after Tax for FY23 was INR 3,980 mn with a PAT margin of 30% and Consolidated Profit after Tax was INR 3,742 mn with a PAT margin of 22%.

We consummated 3 acquisitions in FY23 with a deal value of INR 12,650 mn. In May 2022, we acquired Oaknet Healthcare for INR 6,500 mn, of which INR 3,000 was paid through our internal accruals and the rest through borrowings. In Jan 2023, we acquired 9 Derma brands from Glenmark for INR 3,400 mn and in Mar 2023 we acquired 9 Cosmetology brands from Dr Reddy's for INR 2,750 mn. The Glenmark and Dr. Reddy's transactions were financed through borrowings.

Our net debt as on 31st Mar 2023 stood at INR 7,740 mn. Our Net Debt to EBITDA ratio stood at 1.45x and are targeting significant prepayment of debt in FY24.

Our consolidated OCF-to-EBIDTA conversion in FY23 stood at 75% (adjusted for GST-related one-off items on brand acquisitions). Our ROIC of 20% and ROE of 22% also reflect the first-year impact of acquisitions.

In line with our capital allocation policy, we declared and paid a dividend of INR 7.35 per share, which translates into 26% of our Net Profit for FY23. I am happy to note that our dividend payout has grown at a CAGR of 37% over the last 3 financial years.

It has been my privilege to serve the company and I look forward to being a part of this journey going forward.

With Warm Regards,

Sachin Shah
Chief Financial Officer

Eris AT A GLANCE – WHO WE ARE

Eris Lifesciences Ltd is a publicly listed Indian Pharmaceutical company with a pure-play domestic branded formulations business model. Ranked 21 in the IPM, Eris is a key player in India's Cardio Metabolic market and is rapidly expanding its presence in Dermatology, Neuropsychiatry and Women's Health.

Over the years, Eris has established itself as a key player in the domestic formulations market navigating its way to rank # 21 in the IPM in the span of just a decade and a half. Since inception, the enduring pillars of the company – (i) a strong chronic therapy focus and (ii) a business model pivoted around specialist and super specialist doctors - continue to remain the mainstay of the business. We enjoy high prescription ranks with the specialists and high-end consulting physicians as a result of our science-led market engagement. The core focus of our market engagement is to enable clinicians to improve clinical outcomes in patients through timely and precision diagnosis and treatment. We take significant pride in our flagship Patient Care Initiative, which continues to gather momentum each year.

Starting with our inception in the year 2007, it took us nearly 13 years to clock the "first INR 1,000 crores" of revenue. However, we are close to adding the "Next 1,000 crore" of revenue in just 4 years by deploying our robust and consistent cashflows along with external funding to accelerate our growth trajectory while protecting our margins, cash conversion rate and return ratios. In FY23, we forayed into the Dermatology business through a series of 3 acquisitions aggregating INR 1,265 crore in purchase consideration. We acquired Oaknet Healthcare in May '22, followed by a series of brands from Glenmark and Dr. Reddy's in Jan-23 and Mar-23 respectively. Eris now ranks #3 in its Dermatology covered marked with a share of 7%.

We have a focused portfolio of brands with our Top-20 mother brands accounting for ~70% of our revenue. Fifteen out of Top-20 mother brands are ranked among Top-5 in their respective segments. We have 4 mother brands with revenues of Rs. 100+ crore, 6 mother brands with revenues of Rs. 70-80 crore and 5 mother brands with revenues of Rs. 50-60 crore. Diabetes care is our flagship therapy contributing to 28% of our total FY 23 revenue. Leveraging our presence in the Oral Diabetes market, we entered the injectables Diabetes Care market in FY23 with the launch of Human Insulin and Glargine. We have curated a winning basket of Product, Technology and Service which has enabled us to generate a first year revenue of INR 17 crore in this segment.

The launch of Liraglutide and other Insulin analogues will augment the franchise. Cardiac care (21% of our revenue) and VMN (16% of our revenue) are our second and third largest therapies respectively are followed by 3 Emerging therapies, namely Dermatology, CNS and Women's Health together contributing 26% of our total revenue.

In FY 23, we clocked a consolidated operating revenue of INR 1,685 crore with a PAT of INR 374 crore. This represents a three-fold growth since the year FY17. We have maintained an average EBIDTA Margin of 35% and operating cash conversion ratio of ~ 75% during FY17 to FY23; these ratios rank among the best in the industry. Over a decade and a half into the business, we continue to retain our fundamental strengths in terms of Chronic focused portfolio, low NLEM exposure, high cash generation, and high mind-share and prescription ranks among super specialists.

Our state-of-the-art manufacturing facility at Guwahati contributed 70% of the products sold during FY 23. As a part of our capacity expansion strategy, our greenfield manufacturing plant in the state of Gujarat has been successfully commissioned, augmenting our manufacturing capabilities in oral solid dose, sterile injectables, oral liquids, creams/ointments (in process) and Formulation Development. The plant will start delivering in-sourcing and fiscal benefits starting FY24.

We have a pan India distribution network with over 2,000 stockists and 5,00,000+ chemists. Over 5,000 Erisians work in our offices in Ahmedabad and Mumbai, our manufacturing facilities and on the field across the nation.

Guided by our twin business pillars of the "Power of Empathy" and the "Truth Of Science", we will continue to execute on our growth levers of Power Brands Expansion, New Product opportunities, Expansion of Physician Coverage and leveraging our balance sheet to leapfrog growth in strategic areas.

OUR CAPITAL ALLOCATION STRATEGY

Structured Approach to Creating Investor Value

Invest for Growth

Disciplined M&A strategy generating targeted outcomes

Capex on new manufacturing facility to start yielding benefits from FY24

Return to Owners

Committed dividend program

Avg. payout ratio of ~ 20% in the last 4 years (26% in FY23)

37% CAGR in dividend paid over FY20-FY23

Good Growth
High Margin
Strong Cashflow

Financial Discipline

Prepayment of borrowings

Net Debt to EBITDA ratio <=2x

Strong Balance Sheet

Cash generating - continuing OCF-to-EBITA ratio of 75%

Leveraging fiscal benefits as available

Retaining surplus for future investments

10 YEAR FINANCIAL HIGHLIGHTS

CONSOLIDATED	Ind AS							Ind GAAP		
INR mn	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Operating Results										
Operating Revenue	16,851	13,470	12,119	10,741	9,822	8,556	7,495	5,970	5,456	5,088
Operating EBIDTA	5,367	4,850	4,306	3,684	3,449	3,220	2,691	1,715	1,215	989
Operating EBIDTA Margin	32%	36%	36%	34%	35%	38%	36%	29%	22%	19%
Net Profit	3,742	4,058	3,551	2,965	2,911	2,950	2,466	1,349	893	705
Net Profit Margin	22%	30%	29%	28%	30%	34%	33%	23%	16%	14%
Cash Flow Generation										
Operating Cash Flow (OCF)	2,917	3,783	3,754	2,712	2,230	2,346	2,002	1,315	901	896
OCF as a % of EBITDA	75%*	78%	87%	74%	65%	73%	74%	77%	74%	91%
Assets Employed										
Tangible Assets	3,560	1,679	779	873	553	526	557	707	675	711
Intangible Assets	22,124	7,531	7,776	7,919	7,072	7,185	1,760	7	42	39
Core Working Capital	2,994	1,611	1,323	1,263	825	413	662	484	446	298
Treasury Investments	952	6,346	4,159	1,453	3,634	3,760	3,057	1,997	1,722	913
Total	**29,630**	**17,166**	**14,036**	**11,508**	**12,084**	**11,884**	**6,035**	**3,195**	**2,885**	**1,960**
Financed By										
Equity	21,960	19,083	15,764	12,963	11,505	8,613	5,671	2,992	2,657	1,765
Debt	8,690	804	45	61	1,764	3,768	6	5	10	5
Return on Invested Capital (RoIC)	**20%**	**34%**	**34%**	**30%**	**33%**	**51%**	**127%**	**150%**	**112%**	**124%**
Return on Equity (RoE)	**22%**	**33%**	**31%**	**30%**	**44%**	**74%**	**126%**	**132%**	**95%**	**94%**

*Adjusted for GST-related one-off items on brand acquisitions

RoIC = Operating EBIT/Average Invested Capital (Ex-cash) | **RoE** = Net Profit attributable to owners/Average Net worth (Ex-cash) | **Net worth (Ex-cash)** = Net worth – (Treasury Investments + Cash and cash equivalents + other bank balances) | **Invested Capital (Ex-cash)** = Net worth (ex-cash) + Long-term Borrowings + Current maturities of Long-term Borrowings

Tangible assets include Right of use assets | **Intangible assets** include Intangible assets under development and goodwill

OUR BUSINESS

Eris derives all its standalone revenue from the domestic branded formulations market. Chronic and sub-chronic therapies account for 87% of our business (vs 53% for IPM).

During the year, Eris has significantly diversified its therapeutic mix. At the start of the year, Eris derived 80% of revenues from the Cardiometabolic and VMN segments. Despite a 15% plus growth in these segments during the year, the concentration of the Cardiometabolic & VMN segments now stands at 66%. The contribution of our three emerging therapies namely Dermatology, CNS and Women's Health has increased from 12% last year to 26% at the end of this year. Dermatology has emerged as our fourth largest therapy with a 14% share in overall revenue. We now rank #3 in our Dermatology Covered Market with a 7% market share.

Source: AWACS MAT Mar'23

OUR TOP MOTHER BRANDS

We have a focused portfolio with our Top 20 mother brands accounting for 70% of our revenue. 15 of these brands rank among the Top-5 in their respective segments. This group of brands has clocked a combined growth of 17% in FY23.

	Sales (INR mn)	Market Share	FY 23 YoY Growth
GlimiSave	3,044	6%	10%
Eritel	1,754	4%	19%
ReNerve	1,539	8%	21%
Zomelis	1,045	7%	52%
Cyblex	808	10%	18%
Tendia	801	8%	14%
LNBLOC	759	10%	15%
Cosvate	753	15%	9%
Tayo	698	3%	11%
Olmin	670	8%	14%
Crevast	624	2%	24%
Gluxit	617	7%	59%
Remylin	523	4%	9%
AtorSave	480	2%	13%
Rabonik	479	3%	-4%
Onabet	436	67%	7%
GINKOCER	416	38%	21%
Halovate	285	38%	7%
Raricap	272	10%	30%
Serlift	265	16%	16%

Oral Diabetes Care
Cardiac Care
VMN
Derma
Gastro-Intestinal
Women's Health
CNS

Source: AWACS MAT Mar'23

OUR PRESCRIPTION RANKINGS

Sustained High Prescription Ranks Among Super-Specialists

Since inception, Eris has maintained a strong focus on deepening and strengthening the coverage of specialists and consulting physicians across the country.

During the year, we increased our focus on strengthening the coverage of Dermatologists, Cardiologists and Consulting Physicians. As an outcome of these unrelenting efforts, Eris ranks among the Top 5 companies in terms of prescriptions ranking with specialty doctors.

Diabetologists#	5
Cardiologists	5
Dermatologists	4
Neurologists	4
Gynecologists	7
Consulting Physicians	7

Source: SMSRC MAT Feb'23 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists

OUR STRATEGIC BUSINESS UNITS

Cluster 1	Diabetes	Eris, ASPIRE, BluTeam
Cluster 2	Diabetes	Phoenix, Victus
Cluster 3	Cardiac Care	Inspira, ADURA
Cluster 4	CNS	Altiza, Eterna
Cluster 5	Women's Health & Wellness	Nikkos, Montana, Filix

OUR THERAPY AREAS

Diabetes Care

Diabetes care is our flagship therapy contributing to 29% of FY 23 revenue. In our covered market of ~INR 14,000 crore, we rank #8^ in terms of revenue and #5 as per Rx ranks. Within our OHA* covered market, we rank #6 by revenue.

(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

We have a full-service presence across all the OHA* segments – Sulphonylureas, DPP4 Inhibitors and SGLT 2 Inhibitors – as well as injectable Anti-Diabetes therapies. We continue to fortify our high ranks in the successful legacy diabetes brands with continuous brand lifecycle management - Glimisave is ranked #5, Cyblex is ranked #4 and Tendia is ranked #2. Glimisave is now a Rs. 300+ mother brand with a 10% growth in FY23; Cyblex has registered an 18% growth in FY23 followed by Tendia with a 14% growth.

Our brands in the new age diabetes segments, namely Vildagliptin and Sitagliptin (DPP4 Inhibitors) and Dapagliflozin (SGLT2 Inhibitor) continue to maintain top ranks among generics since launch despite tens and hundreds of generic brands entering the space – Zomelis is ranked #1 and Gluxit is ranked #2. These therapies will shape the evolution of Diabetes treatment in India over the next 10-15 years. We have successfully leveraged our Patient Care Platform and Specialist Engagement to build a significant early mover advantage in this segment. Our DPP4 and SGLT2 portfolio has grown at a 50% CAGR over the last 3 years; these therapies now account for over 40% of our OHA* portfolio, up from 20% 3 years ago.

**OHA : Orally Administered Anti-Hyperglycaemic Agents*

During the year, we successfully launched Glura, a DPP4 Inhibitor to enhance our presence in the segment.

We entered the Insulin market in Jan 2022 with the launch of our first product, Xsulin – Regular and premix Human Insulin in the form of vials and cartridges. During the year, we have strengthened the Insulin franchise by the launch of Xglar, our brand in the Glargine segment. We expect strong growth in this segment for Eris in the years ahead as existing products scale up and new products are added to the portfolio.

In FY 23, while the IPM's Anti-Diabetes Care segment grew at 5.9%, Eris outgrew it with a robust yoy growth rate of 24.9%. Over FY 16 to FY 23, our Anti-Diabetes franchise has grown 1.8x faster than the market.

Key new launches

Glura | Glura M | Zomelis-D | Zomelis-DM | Gluxit-S | Gluxit Trio | Sidacor

1.8x times faster growth than market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 6,730 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

GlimiSave | Zomelis | Cyblex | Tendia | Gluxit | xsulin | Glura

Cardiac Care

Cardiac Care is our second largest therapy area, contributing 21% of our business. Over FY 16 to FY 23, our Cardiac Care franchise has grown in-line with the market at a CAGR of 10.3%. In FY23, our Cardiac Care franchise grew at 16%, excluding the impact of Zayo. This includes a 19% growth in Eritel which is now a Rs. 175+ crore mother brand. LNBloc has grown at 15% in FY23, followed by Olmin at 14%, Crevast at 24% and Atorsave at 13%.

Eris is ranked #5 in terms of prescription rank among Cardiologists and #9^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, LNBloc, Olmin, Crevast and Atorsave – in the Cardiac segment.

(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

Key new launches

Zayo | Bisopharm | Bisopharm-A | Bisopharm-T | Cardexa

Performed in-line with the market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 4,856 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Eritel | LNBLOC | Olmin | Crevast | Zayo | Bisopharm

Vitamins, Minerals and Nutrients

Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 3,747 mn or 16% of our business. Over FY 16 to FY 23, our VMN franchise has grown at a CAGR of 7.7%.

In FY23, our VMN franchise grew at 8.8% vs. the market growth of 6.9%. Excluding the impact of ZACD (Covid product), our VMN segment grew at 16% in FY23 with flagship brand Renerve growing at 21% to cross revenues of Rs. 150 crore.

FY 23 Revenue = INR 3,747 mn

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

ReNerve | Tayo | Remylin | GINKOCER

Dermatology

Dermatology is our 4th largest therapy area contributing to INR 3,310 mn or 14% of our business. During the year, Eris marked its entry in the Dermatology franchise with the acquisition of Oaknet Healthcare, a dermatology focused domestic formulations company. The acquisition brought several marquee brands into the Eris portfolio and provided significant impetus to Eris' specialty franchise and chronic presence.

The Dermatology franchise was further strengthened by acquisition of nine medical dermatology brands from Glenmark followed by acquisition of nine cosmetic dermatology brands from Dr. Reddy's Laboratories.

As an outcome of a series of acquisitions undertaken during the year, Eris is ranked #4 in terms of prescription rank among Dermatologists and #3^ in terms of revenue in the Derma space with a 7%^ market share.

(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

In FY 23, while the Dermatology market grew at 15.5% yoy, Eris' acquired Dermatology portfolio grew at 10.7%. We expect the growth trajectory of Eris' portfolio to significantly accelerate in the coming years as multiple value-creation levers will come into play including (i) driving sales and marketing excellence, (ii) restarting the new product launch engine, and (iii) expansion of doctor coverage.

FY 23 Revenue = INR 3,310 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Cosvate | Onabet | Halovate | Cosmelite | SORVATE®

Women's Health

Our Women's Health segment contributed INR 1,332 mn or 5% of our business. Over FY 16 to FY 23, our Women's Health franchise has grown at a CAGR of 9.8%.

In FY23, Women's Health market grew by 9.5% yoy. Eris outperformed the market by growing at 36.6%. We have significantly accelerated our investments in this segment through the launch of strategic products like Drolute (Dydrogesterone) and FCM injection in FY23. Our Drolute brand has clocked a revenue of INR 23 crore in its first full year of operations whereas our FCM injection franchise has clocked Rs.16 crore of revenue in the 9-month period post its launch - between July '22 and Mar '23.

FY 23 Revenue = INR 1,332 mn

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Raricap | Drolute | Metital | RARISET

Central Nervous System (CNS)

Our fifth largest therapy area, CNS contributed INR 1,569 mn or 7% of our business.

In FY 23, while CNS market grew by 12.4% yoy, Eris's CNS segment outperformed the market by growing at 16.5%.

Over FY 18 to FY 23, our CNS franchise has grown faster than the market by growing at a CAGR of 12.6% as against a market growth of 9.4%.

Key new launches in FY23

Nobix | SonaXa | trivoxetin | HealSenz

1.3x times faster growth than market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 1,569 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Serlift | Levroxa | DESVAL ER | SonaXa | Bricet

OUR IT PLATFORM

As we move towards a digital-first era and hyper-digitised business models, organisation strategies are inevitably getting more integrated with digital technologies. Digital transformation has become a necessity for businesses to remain competitive and relevant. This year has been marked by significant investments in technology, innovation, and collaboration. Our efforts have been focused on harnessing the power of technology to enhance our business processes, stakeholder experiences and cyber security while also fostering innovation and agility.

DIGITALIZATION OF OPERATIONS

Microsoft Office 365 Migration

During the year, we have migrated to Microsoft Office 365, an enterprise grade email with enterprise level security and Microsoft Teams for improved collaboration and communication across stakeholders, resulting in faster time-to-market and greater agility. Furthermore, we have embarked on Robotic Process Automation (RPA) with Power Automate, to harness the power of automation in processes and workflows, reduce errors, and improve efficiency.

Project LEAP

Agility and unceasing innovation remain two of the key pillars of any enterprise in today's realm. In an effort to strengthen these pillars and improvise the existing enterprise resource solution, Eris has undertaken project LEAP. Eris' flagship drive to digitize its operational core (legacy bespoke ERP) to SAP RISE on AWS cloud.

Adoption of a Lean Data Centre

To enhance our data storage, processing, and accessibility, we have embraced cloud technology which has enabled us to improve our operational efficiency and improve security. We have adopted a cloud-first approach to reduce the overall server footprint in our data centres. In this context, a 6-5-N (6 Actions, 5 Perspectives, N Iterations) cloud strategy has been deployed.

Foray into wearables

To consider that the new wearable technology for diabetes may transform the way diabetes is managed in the future would not be an exaggeration. In the year gone by, Eris has taken a step forward in this direction and introduced Continuous Glucose Monitor as a wearable device that not only monitors and tracks the insulin levels of the patient every three minutes, but also removes the need for a painful prick method.

Furthermore, a pilot mobile app (Circa CGM) was launched, with a melange of technologies such as wearables, sensors, BLE, cloud based & Artificial Intelligence. The application assists patients in reaching their desired insulin.

Eris is moving towards Smarter Patient care and is planning for a more feature-driven App this year.

Digital Marketing Initiative

Our continuous endeavours towards digitising our market engagement led us to introduce Holography, Augmented Reality (AR), and Virtual Reality (VR) in order to create immersive, personalized, and memorable detailing experiences for doctors. This technology can be used to create holographic representations of drug molecules or disease pathways, providing doctors with a better understanding of the science behind our products. Initial introductions have been very well received by the doctors and only proves to be encouraging for us.

Our digital transformation journey has been a significant one, marked by innovation, collaboration, and growth. We have made great strides this year and are well-positioned to continue driving our business forward in the years to come.

OUR PEOPLE

A Beacon for Excellence and Growth

We believe that our human capital has a vital role to play in our growth. Eris's human resource management systems and processes intend to enhance organisational capability and vitality, so that the business operates to standards of the highest order. Eris is committed to implement talent management practices that are relevant and effective and drive superior performance. With a talent pool of more than 5,000 employees, we remain committed to investing in our talent pool with a continued focus on driving excellence and growth.

The HR function's strategy is focused on creating a future-ready workplace, strengthening the company culture, building capability for business and nurturing careers. Some of the key initiatives undertaken by HR are detailed herewith.

Learning and Development

At Eris, learning and development is a vital element of our talent management and development process that facilitates in widening the ambit of knowledge and capabilities of our employees. We encourage people to develop the skills and expertise required to achieve their professional goals. By providing a range of learning and development programmes, we empower and support our people in achieving their full potential.

During the year, a select group of employees from the marketing division were enrolled for a five-month program at a national level management institute for enhancing and developing the requisite skills.

Saksham

Saksham is a talent pool development programme designed and developed specifically to enhance the skill set of BEs. The candidates participate in a three days workshop, evaluation process and screening process by way of scientific tests, case study discussion and panel interaction. On successful completion of the program, the candidates are promoted leading to better career prospects.

Reward programme

During the year, we have introduced a reward programme to recognise top performers from various departments, including but not limited to sales and marketing, manufacturing among others. In addition to enhanced employee engagement, the programme also results in improved productivity, boosts employee retention, and creates a more positive workplace.

Aagman

A corporate induction program, establishing a strong foundation that enables new employees to get a better understanding of not just the organizational policies and processes but how they can align with the organizational goals. During the course of the program, new hires get an opportunity to acclimatize to the new work environment, company culture and role.

Employee Engagement

Eris endeavours to provide a conducive and supportive work environment to help the employees excel through various employee engagement programs. Employee motivation and engagement are deeply embedded in our approach. In that spirit, we organise team sports and games; and celebrate festive occasions. Besides, we also undertake efforts to inculcate reading practice among employees encouraging them to take a book of their choice from our in-house library every week.

During the year, we hosted the first edition of the Eris Medical Premier League; a science-based quiz competition for the employees across the country. The event witnessed a total participation of over 2,400 employees brimming with enthusiasm and zeal making it a grand success.

IT enabling of HR processes

One of the key initiatives drawn and executed during the year comprised the IT enabling of HR processes. Technology enabled human resource process comprised major areas like recruitment and on-boarding, performance management system and learning management system. The service empowered employees to access any employee-related information with accuracy.

5,680	Employees	1,415	Field Managers	103	Sales and Marketing	268	Others
3,443	Medical Representatives*	423	Manufacturing	28	Intellectual Property and Research		

In the Branded Formulation and Trade Generics business (Including Oaknet)

OUR DISTRIBUTION NETWORK

Enhancing Reach and Strengthening Presence

Eris undertakes continuous and focused efforts to strengthen the depth of its distribution network. With robust systems and processes, an agile and responsive supply chain, and synergies arising from distributing various kinds of products, the distribution system is a source of competitive advantage for Eris and is well poised to support the rapid scale up of operations in the coming years.

Eris's pan-India distribution network facilitates availability of its products in over half a million retail chemist outlets across the nation through 2,000+ stockists

*Source: AWACS Mar'23

22	SALES DEPOT

2,035	STOCKIST

5,00,000+	RETAIL CHEMISTS

Super Stockist | Stockist | Manufacturing Plant

OUR MANUFACTURING INFRASTRUCTURE

Crucial Levers in Place

Eris' manufacturing team is led by industry experts who possess decades of rich experience in various manufacturing aspects. Plants and the various functions are staffed by experienced and competent personnel across levels ensuring standards of highest magnitude. During the year, our state-of-the-art manufacturing facility at Guwahati accounted for 70% of all products sold (by value), down from ~ 80% last year.

- 70% of revenues from products manufactured at Guwahati in FY 23
- State-of-the-art manufacturing facility in Guwahati, Assam
- Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption and GST subsidies until FY 2025
- 300+ products manufactured
- 1 Lakh sq ft built-up area
- WHO GMP guidelines compliant

Capacity Utilization for Prescription Products

Products	Capacity (mn units pa)*	Output (mn units)	Capacity Utilisation
Tablets	1,440	1,019	71%
Capsules	150	62	41%
Sachets	2.4	1	35%
Soft Gel Tablets	216	65	30%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (mn units pa)*	Output (mn units)	Capacity Utilisation
Tablets	25	12	48%
Capsules	25	14	55%
Sachets	1.2	1	51%

**Installed capacity based on two shifts per day*

Compliance to Good Manufacturing Practices (GMP) continues to remain a strong focus area for us

Successful commissioning of the New Manufacturing Plant

During the year, our capacity building initiative continued full throttle. As an outcome, we have successfully commissioned our new green field manufacturing plant in Gujarat supporting our pipeline of new product introductions as well as commencing in-house manufacturing of certain previously outsourced products.

- Greenfield Manufacturing Plant in Gujarat
- Footprint: 10x of the existing Guwahati Facility
- Capability to manufacture Oral Solids, Sterile Injectables, Oral Liquids and Topical Formulations
- Research & Development Unit Laboratories for Formulation Development, Analytical & Microbiology
- Built to WHO GMP standards

Installed Capacity for Various Dosage Forms

Products	Capacity (mn units pa)*
Tablet	2,160
Capsule	240
Oral Liquid	18
Injectable	36
Ointment	84

**Installed capacity based on two shifts per day*

ENVIRONMENT, SAFETY AND SOCIAL RESPONSIBILITY

During the year, we continued to undertake a host of initiatives at our manufacturing plant in Guwahati to improve energy efficiencies. As an outcome, we were able to save ~41,000 units of energy per month. Some of the continued energy saving initiatives undertaken during the year are mentioned below:

- Reduction in energy consumption for compressed air generation by placing an air reservoir to store and maintain air pressure
- Hot water tanks have been insulated to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals
- Cladding of hot water line has been undertaken to prevent any energy loss

At our manufacturing plant in Guwahati, we are utilizing an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process, designed for the removal of the liquid waste from the system. The focus of the treatment process is to reduce wastewater economically and generate clean water that is suitable for reuse in gardening, cooling tower and other utilities. As a result, the plant processed an average of ~7,800 litres of effluents per day in the last financial year. Our rain water harvesting system which ensures optimum utilization of rain water, harvested ~75,000 litres of rain water per month.

Eris continues to build and improve its occupational health and safety management systems. Hazards and risk associated with site activities are identified and risk control and mitigation measures are implemented periodically. Specific safety protocols are put in-place so that steps on pre-emptive action for safety can be taken on a timely basis. There have been no casualties or accidents at our manufacturing facility in Guwahati since inception. Some of the key health and safety measures adopted at the plant are:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Imparting periodic training on fire and first-aid by a team of experts
- Celebrate safety week which covers all aspects of safety measures
- Conducting medical check-up for all employees

We strive to maintain healthy relationships and engagement with local communities and have initiated and adopted social and community welfare undertakings which include a wide spectrum of development activities. The community activities implemented in the vicinity of the manufacturing plant are done in response to the immediate needs of the communities.

AWARDS & ACCOLADES

"The Innovator"
Digital Transformation Award

Best CFO Award in
Medium Enterprises
(Manufacturing Industry Category)

National Best Employer
Brand 2018
Eris wins out of 100 brands

Emerging Companies
Excellence Award 2013

Ernst & Young Awards
Mr. Amit Bakshi,
Entrepreneur of the Year 2013

Competitive Strategy
Leadership Award 2013

STRATEGIC GROWTH DRIVERS

GROWTH IN BASE BUSINESS

- Our **Top-20** power brands account for **70%** of our revenues and have grown at **17%** in **FY23**. **15** out of these brands are ranked among the **Top-5** in their respective segments. We have
  - ⇨ **4** brands with revenues of Rs. **100+ crore** each
  - ⇨ **6** brands with revenues of Rs. **70-80 crore** each, and
  - ⇨ **5** brands with revenues of Rs. **50-60 crore** each
- We expect this portfolio to continue growing well in the coming years along with the generation of **high margins** and **strong cashflows** for investment

NEW PRODUCT PIPELINE

- We have **demonstrated our credentials** in being able to secure **market-leading** positions in **patent expiry** opportunities through our brands **Zomelis, Gluxit, Glura, Zayo,** etc.; we expect to continue leveraging more such opportunities over the **next 2-3 years**
- We will expand our **injectable anti-diabetes** franchise currently consisting of **Xsulin** (Human Insulin) and **Xglar** (Glargine) with the additions of other insulin analogues and **GLP1 Agonists**
- We will drive new product launches in **Medical Dermatology** and **Cosmetology,** and expand our product ranges in **CNS** and **Women's Health** therapies

EXPANSION OF PHYSICIAN COVERAGE

- We continue to make good progress in expanding our coverage of **Specialists and Consulting Physicians** in line with our expectations
- We have added **~ 200** Reps to the Eris field-force in FY 23

THERAPEUTIC DIVERSIFICATION

- Strong momentum on therapy diversification with **3 emerging therapies (Derma, CNS & Women's Health)** accounting for **26%** of Branded Formulations revenue (up from **12%** last year) and grown **17% in FY 23**
- We will continue to invest in these therapies in **organic** as well as **inorganic** growth

INORGANIC OPPORTUNITIES

- Our acquisition of Oaknet in May 2022 followed by Glenmark & DRL brands later in the year is emerging as a credible **endorsement of our inorganic value-creation** thesis; First year **revenue growth of 28%** with an **EBIDTA margin** expansion from **10%** to **24%**
- We will continue to look for such **high-return inorganic opportunities** to complement our organic growth initiatives

OUR INVESTORS

Shareholding of Promoters and Top 15 Institutional Investors

Name of Shareholder	As on 31-Mar-23	As on 30-Dec-22	As on 30-Sep-22
Promoters	52.86%	52.70%	52.29%
Chrys Capital (Emerald Investment Limited)	7.58%	7.58%	7.58%
UTI Mutual Fund	5.33%	4.99%	4.88%
Aditya Birla Sun Life Mutual Fund	1.47%	1.62%	1.69%
Kuwait Investment Authority Fund	1.47%	1.47%	0.75%
UTI Fund – FII	1.28%	1.29%	1.32%
Franklin Templeton Mutual Fund	1.26%	1.26%	1.31%
HSBC Mutual Fund	0.88%	0.88%	0.91%
Ellipsis Partners LLC	0.73%	0.36%	0.36%
Vanguard Fund	0.71%	1.71%	1.71%
Steinberg India Fund	0.54%	0.54%	0.54%
Tata Mutual Fund	0.38%	0.38%	0.38%
Malabar Select Fund	0.33%	0.33%	0.42%
ICICI Prudential Mutual Fund	0.33%	0.00%	0.00%
New Mark Capital India Fund	0.31%	0.24%	0.24%
Blackrock Funds	0.26%	0.26%	0.24%

STATUTORY REPORTS

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

GLOBAL

In the year gone by, as the global economy was depicting signs of balance post the disruptions caused by the Covid-19 pandemic, it had to battle more adverse shocks due to geo-political tensions in Europe, resulting in severe commodity and energy price shocks and trade disruptions. As an outcome, inflation reached multidecade highs last year in many economies, prompting central banks to tighten the monetary policy aggressively and bring the inflation back towards their targets.

Inflation across Economies
(Three-month moving average; SAAR)

Note: The figure shows the distribution of headline and core CPI inflation developments across 18 advanced economies and 17 emerging market and developing economies. Core inflation is the percent change in the consumer price index for goods and services but excluding food and energy (or the closest available measure). For the euro area (and other European economies for which data are available), energy, food, alcohol, and tobacco are excluded. The shaded band depicts the 25th to the 75th percentiles of the cross-economy distribution of the indicated inflation measure. The 35 economies in the sample for the figure account for about 81 percent of 2022 world output. CPI = consumer price index; SAAR = seasonally adjusted annualized rate
(Source: Haver Analytics; and IMF staff calculations)

During the year, contagious Covid-19 strains emerged, and the resultant outbreaks affected certain economies resulting in strict lockdowns such as in China. Although these factors imperilled the global economic recovery, activities in many economies were better than expected in second half of 2022, reflecting stronger than expected domestic environment.

According to The Conference Board, global real GDP is expected to grow by 2.3 percent in 2023, down from 3.3 percent in 2022. It is expected that Asian economies will drive most of the global growth in 2023, as they tend to gain from changing dynamics and less severe inflationary pressures compared to other regions.

Real GDP growth (y/y % change)

Note: Regions are aggregated based on nominal GDP in international dollars (PPP converted); Data from 2023 Q1 are forecasts from The Conference Board.
(Source: The Conference Board, Global Economic Outlook, April 2023)

INDIA

Despite macro headwinds and tightening of monetary policy by the Reserve Bank of India to combat high inflation, India is set to become the second fastest growing economy in the G20 in FY 23. Growth in GDP of India is 6.4% for the fiscal year 23. While GDP growth is expected to stand at 5.7% in FY 24, as domestic demand and exports growth moderate, growth in FY 25 is expected to reach 6.9%, in-line with the 20-year average (excluding the Covid-19 recession) as global conditions improve. Headline inflation continues to remain

above 6% - central bank's upper bound of the tolerance band, largely due to the increase in food prices which accounts for a larger share of the consumer basket. It is expected to remain at elevated levels and gradually recede as interest rates peak out.

Economic growth is slowing

High inflation has led to monetary policy tightening

1. Projected value for 2022Q3 | 2. Headline inflation refers to the change in price of all goods in the basket. OECD seasonal adjustment based on monthly consumer price index (index 2012 = 100) from the Ministry of Statistics and Programme Implementation (MOSPI)
(Source: OECD Economic Outlook 112 database; S&P Global; CEIC; and RBI)

Macro headwinds like delays in fiscal consolidation and hindrances in the ongoing bilateral trade negotiations may weigh the projections on the downside. On the flip side, receding geopolitical uncertainties would improve confidence and benefit all sectors.

PHARMACEUTICAL MARKET

GLOBAL

The Global Pharmaceuticals Formulations Market valued at more than USD 1.2 trillion in FY 22 is expected to reach USD 1.7 trillion by FY 27, growing at a CAGR of ~5.4%. With the use of advanced digital platforms, big data analytics, cloud computing and artificial intelligence (AI), the industry is in transition. Digital technologies are evolving in the pharmaceutical sector to streamline labour-intensive and critical processes. They are widely applied in the pharmaceutical value chain in several areas, including drug discovery and development, drug manufacturing, intelligent process automation, predictive maintenance optimization, and supply chain management.

Global Pharmaceutical Formulations Market (USD Bn)

Source: IQVIA, Frost & Sullivan Research and Analysis

Increasing prevalence of Chronic diseases as a consequence of sedentary lifestyle and poor dietary habits, increase in ageing population, robust growth of global generics market on account of greater adoption by both, developed as well as well as pharmerging countries and expansion of health insurance coverage is expected to drive the growth of the Global Pharmaceutical market.

Several factors are providing significant impetus to the growth of pharmaceutical market in Pharmerging countries. Increasing healthcare financing, rising number of private hospitals, high prevalence of numerous chronic diseases, growing consumer awareness towards early disease detection and treatment procedures are currently propelling the global pharmerging market growth.

According to the WHO, by 2030, 1 out of every 6 people worldwide will be aged 60 years and above. The population share of this cohort will double by 2050 from 1 Bn in 2020. In addition, the number of people 80 years and older is anticipated to triple between 2020 and 2050 and reach 426 Mn. This increasing geriatric population are more prone to serious medical conditions, such as dementia, hypertension, cardiac failure, etc.

In addition, introduction of government policies and reimbursement schemes across various countries for reducing the cost of treatment for chronic diseases, the growing number of insurance companies offering numerous insurance policies to decrease the out-of-the-pocket expenditures are further augmenting the market growth.

INDIA

India's Domestic Branded Pharmaceutical Formulations Market (the IPM), valued at more than USD 23Bn grew by 9.3% yoy in FY 23. The growth was led by Chronic and sub-chronic therapies followed by Acute therapy. With a share of ~55% in the IPM, chronic and sub-chronic therapies have grown year-on-year at a rate of 10.6% in FY 23, while acute therapy comprising ~45% of the IPM, grew by modest 7.8% for the similar period. This subdued growth of acute therapy is on account of a high base of the previous year, during which the IPM witnessed strong rebound from the aftermath of Covid-19. Besides, acute therapy registered low single digit growth of 3% during H1, only to grow in double digit in H2. The chronic and sub-chronic therapies during both the periods have sustained double digit growth.
(Source: AWACS)

According to IQVIA, the IPM is expected to reach USD 37Bn by FY 27, growing at a CAGR of 10-11% during the period FY 22 to FY 27. While the international pharmaceuticals markets are challenged with several headwinds including but not limited to geopolitical tensions, regulatory pressures and higher research & development spends, domestic pharma market has witnessed robust growth potential and remains a good defence against recession.

India's Domestic Branded Pharmaceutical Formulations Market (USD Bn)

Source: IQVIA, Frost & Sullivan Research and Analysis

HEALTHCARE FINANCING

Indian Pharma industry has been a key contributor in improving nation's healthcare and economic development. However, over the years India's current healthcare expenditure as a % of GDP has decreased compared to other BRICS nations as well as other developed nations. Low healthcare expenditure in India is primarily on account of under-penetration of healthcare services and low consumer spending on healthcare.

Further, the government expenditure as % of GDP remains lower compared to global peers. The skew however is more towards private expenditure compared to public expenditure, with private sector accounting for lion's share. However, government aims to increase the healthcare expenditure as a % of GDP to 2.5% by 2025, according to the National Health Policy. The policy advocates allocating major portion of resources towards primary care, followed by secondary and tertiary care.

Health spending as % of GDP

Source: WHO, Global Health Expenditure Database

Government spending as % of GDP

Source: WHO, Global Health Expenditure Database

In India, the out-of-pocket expenditure over the last decade has decreased by over 10%, however, it continues to account for a major portion of the overall health expenditure when compared to BRICS nations and other developed countries. While China, Russia and Brazil accounted for nearly 35%, 28% and 22% respectively, developed nations like Singapore and US, accounted for 19% and 10% respectively against a world average of ~20%.

India - Out-of-pocket spend as % of current health expenditure

	2020
Brazil	22%
Russia	28%
China	35%
Singapore	19%
US	10%

Source: WHO, Global Health Expenditure Database

With Pradhan Mantri Jan Arogya Yojana (PM-JAY), the affordability aspect of healthcare expenditure is expected to be taken care of to some level, especially for the socially underprivileged section of the population.

ERIS AT A GLANCE

Who we are

> Eris Lifesciences Ltd is a publicly listed Indian Pharmaceutical company with a pure-play domestic branded formulations business model. Ranked 21 in the IPM, Eris is a key player in India's Cardio-Metabolic market and is rapidly expanding its presence in Dermatology, Neuropsychiatry and Women's Health.

Over the years, Eris has established itself as a key player in the domestic formulations market navigating its way to rank # 21 in the IPM in the span of just a decade and a half. Since inception, the enduring pillars of the company – (i) a strong chronic therapy focus and (ii) a business model pivoted around specialist and super specialist doctors - continue to remain the mainstay of the business. We enjoy high prescription ranks with the specialists and high-end consulting physicians as a result of our science-led market engagement. The core focus of our market engagement is to enable clinicians to improve clinical outcomes in patients through timely and precision diagnosis and treatment. We take significant pride in our flagship Patient Care Initiative, which continues to gather momentum each year.

Starting with our inception in the year 2007, it took us nearly 13 years to clock the "first INR 1,000 crores" of revenue. However, we are close to adding the "Next 1000 crore" of revenue in just 4 years by deploying our robust and consistent cashflows along with external funding to accelerate our growth trajectory while protecting our margins, cash conversion rate and return ratios. In FY23, we forayed into the Dermatology business through a series of 3 acquisitions aggregating INR 1,265 crore in purchase consideration. We acquired Oaknet Healthcare in May '22, followed by a series of brands from Glenmark and Dr. Reddy's in Jan-23 and Mar-23 respectively. Eris now ranks #3 in its Dermatology covered marked with a share of 7%.

We have a focused portfolio of brands with our Top-20 mother brands accounting for ~70% of our revenue. Fifteen out of Top-20 mother brands are ranked among Top-5 in their respective segments. We have 4 mother brands with revenues of Rs. 100+ crore, 6 mother brands with revenues of Rs. 70-80 crore and 5 mother brands with revenues of Rs. 50-60 crore. Diabetes care is our flagship therapy contributing to 28% of our total FY 23 revenue. Leveraging our presence in the Oral Diabetes market, we entered the injectables diabetes care market in FY23 with the launch of Human Insulin and Glargine. We have curated a winning basket of Product, Technology and Service which has enabled us to generate a first year revenue of INR 17 crore in this segment. The launch of Liraglutide and other Insulin analogues will augment the franchise. Cardiac care (21% of our revenue) and VMN (16% of our revenue) are our second and third largest therapies respectively are followed by 3 Emerging therapies, namely Dermatology, CNS and Women's Health together contributing 26% of our total revenue.

In FY 23, we clocked a consolidated operating revenue of INR 1,685 crore with a PAT of INR 374 crore. This represents a three-fold growth since the year FY17. We have maintained an average EBIDTA Margin of 35% and operating cash conversion ratio of ~ 75% during FY17 to FY23; these ratios rank among the best in the industry. Over a decade and a half into the business, we continue to retain our fundamental strengths in terms of Chronic focused portfolio, low NLEM exposure, high cash generation, and high mind-share and prescription ranks among super specialists.

Our state-of-the-art manufacturing facility at Guwahati contributed 70% of the products sold during FY 23. As a part of our capacity expansion strategy, our greenfield manufacturing plant in the state of Gujarat has been successfully commissioned, augmenting our manufacturing capabilities in oral solid dose, sterile injectables, oral liquids, creams/ointments (in process) and Formulation Development. The plant will start delivering in-sourcing and fiscal benefits starting FY24.

We have a pan India distribution network with over 2,000 stockists and 5,00,000+ chemists. Over 5,000 Erisians work in our offices in Ahmedabad and Mumbai, our manufacturing facilities and on the field across the nation.

Guided by our twin business pillars of the "Power of Empathy" and the "Truth Of Science", we will continue to execute on our growth levers of Power Brands Expansion, New Product opportunities, Expansion of Physician Coverage and leveraging our balance sheet to leapfrog growth in strategic areas.

OUR CAPITAL ALLOCATION STRATEGY

Structured Approach to Creating Investor Value

Good Growth
High Margin
Strong Cashflow

Invest for Growth

Disciplined M&A strategy generating targeted outcomes

Capex on new manufacturing facility to start yielding benefits from FY24

Return to Owners

Committed dividend program

Avg. payout ratio of ~ 20% in the last 4 years (26% in FY23)

37% CAGR in dividend paid over FY20-FY23

Financial Discipline

Prepayment of borrowings

Net Debt to EBITDA ratio <=2x

Strong Balance Sheet

Cash generating-continuing OCF-to-EBITA ratio of 75%

Leveraging fiscal benefits as available

Retaining surplus for future investments

OUR BUSINESS

Eris derives all its standalone revenue from the domestic branded formulations market. Chronic and sub-chronic therapies account for 87% of our business (vs 53% for IPM).

During the year, Eris has significantly diversified its therapeutic mix. At the start of the year, Eris derived 80% of revenues from the Cardiometabolic and VMN segments. Despite a 15% plus growth in these segments during the year, the concentration of the Cardiometabolic & VMN segments now stands at 66%. The contribution of our three emerging therapies namely Dermatology, CNS and Women's Health has increased from 12% last year to 26% at the end of this year. Dermatology has emerged as our fourth largest therapy with a 14% share in overall revenue. We now rank #3 in our Dermatology Covered Market with a 7% market share

Source: AWACS MAT Mar'23

OUR TOP MOTHER BRANDS

We have a focused portfolio with our Top 20 mother brands accounting for 70% of our revenue. 15 of these brands rank among the Top-5 in their respective segments. This group of brands has clocked a combined growth of 17% in FY23.

	Sales (INR mn)	Market Share	FY 23 YoY Growth
GlimiSave	3,044	6%	10%
Eritel	1,754	4%	19%
Reverve	1,539	8%	21%
Zomelis	1,045	7%	52%
Cyblex	808	10%	18%
Tendia	801	8%	14%
LNBLOC	759	10%	15%
Cosvate	753	15%	9%
Tayo	698	3%	11%
Olmin	670	8%	14%
Crevast	624	2%	24%
Gluxit	617	7%	59%
Remylin	523	4%	9%
AtorSave	480	2%	13%
Rabonik	479	3%	-4%
Onabet	436	67%	7%
GINKOCER	416	38%	21%
Halovate	285	38%	7%
Raricap	272	10%	30%
Serlift	265	16%	16%

Oral Diabetes Care
Cardiac Care
VMN
Derma
Gastro-Intestinal
Women's Health
CNS

Source: AWACS MAT Mar'23

OUR PRESCRIPTION RANKINGS

Sustained High Prescription Ranks Among Super-Specialists

Since inception, Eris has maintained a strong focus on deepening and strengthening the coverage of specialists and consulting physicians across the country.

During the year, we increased our focus on strengthening the coverage of Dermatologists, Cardiologists and Consulting Physicians. As an outcome of these unrelenting efforts, Eris ranks among the Top 5 companies in terms of prescriptions ranking with specialty doctors.

5	5	4	4	7	7
Diabetologists#	Cardiologists	Dermatologists	Neurologists	Gynecologists	Consulting Physicians

Source: SMSRC MAT Feb'23 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists

OUR STRATEGIC BUSINESS UNITS

Cluster 1 — Diabetes

Eris | ASPIRE | BluTeam

Cluster 2 — Diabetes

Phoenix | Victus

Cluster 3 — Cardiac Care

Inspira | ADURA

Cluster 4 — CNS

Altiza | Eterna

Cluster 5 — Women's Health & Wellness

Nikkos | Montana | Filix

OUR THERAPY AREAS

Diabetes Care

Diabetes care is our flagship therapy contributing to 29% of FY 23 revenue. In our covered market of ~INR 14,000 crore, we rank #8^ in terms of revenue and #5 as per Rx ranks. Within our OHA* covered market, we rank #6 by revenue.
(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

We have a full-service presence across all the OHA* segments – Sulphonylureas, DPP4 Inhibitors and SGLT 2 Inhibitors – as well as injectable Anti-Diabetes therapies. We continue to fortify our high ranks in the successful legacy diabetes brands with continuous brand lifecycle management - Glimisave is ranked #5, Cyblex is ranked #4 and Tendia is ranked #2. Glimisave is now a Rs. 300+ mother brand with a 10% growth in FY23; Cyblex has registered an 18% growth in FY23 followed by Tendia with a 14% growth.

Our brands in the new age diabetes segments, namely Vildagliptin and Sitagliptin (DPP4 Inhibitors) and Dapagliflozin (SGLT2 Inhibitor) continue to maintain top ranks among generics since launch despite tens and hundreds of generic brands entering the space – Zomelis is ranked #1 and Gluxit is ranked #2. These therapies will shape the evolution of Diabetes treatment in India over the next 10-15 years. We have successfully leveraged our Patient Care Platform and Specialist Engagement to build a significant early mover advantage in this segment. Our DPP4 and SGLT2 portfolio has grown at a 50% CAGR over the last 3 years; these therapies now account for over 40% of our OHA* portfolio, up from 20% 3 years ago.
**OHA : Orally Administered Anti-Hyperglycaemic Agents*

During the year, we successfully launched Glura, a DPP4 Inhibitor to enhance our presence in the segment.

We entered the Insulin market in Jan 2022 with the launch of our first product, Xsulin – Regular and premix Human Insulin in the form of vials and cartridges. During the year, we have strengthened the Insulin franchise by the launch of Xglar, our brand in the Glargine segment. We expect strong growth in this segment for Eris in the years ahead as existing products scale up and new products are added to the portfolio.

In FY 23, while the IPM's Anti-Diabetes Care segment grew at 5.9%, Eris outgrew it with a robust yoy growth rate of 24.9%. Over FY 16 to FY 23, our Anti-Diabetes franchise has grown 1.8x faster than the market.

1.8x times faster growth than market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 6,730 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Key new launches
Glura, Glura M, Zomelis-D, Zomelis-DM, Gluxit-S, Gluxit Trio and Sidacor

Cardiac Care

Cardiac Care is our second largest therapy area, contributing 21% of our business. Over FY 16 to FY 23, our Cardiac Care franchise has grown in-line with the market at a CAGR of 10.3%. In FY23, our Cardiac Care franchise grew at 16%, excluding the impact of Zayo. This includes a 19% growth in Eritel which is now a Rs. 175+ crore mother brand. LNBloc has grown at 15% in FY23, followed by Olmin at 14%, Crevast at 24% and Atorsave at 13%.

Eris is ranked #5 in terms of prescription rank among Cardiologists and #9^ in terms of revenue in the Cardiac Care space. We have five of our Top-15 mother brands - Eritel, LNBloc, Olmin, Crevast and Atorsave – in the Cardiac segment.

(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

Performed in-line with the market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 4,856 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Key new launches
Zayo, Bisopharm, Bisopharm A, Bisopharm T and Cardexa

Vitamins, Minerals and Nutrients

Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 3,747 mn or 16% of our business. Over FY 16 to FY 23, our VMN franchise has grown at a CAGR of 7.7%.

In FY23, our VMN franchise grew at 8.8% vs. the market growth of 6.9%. Excluding the impact of ZACD (Covid product), our VMN segment grew at 16% in FY23 with flagship brand Renerve growing at 21% to cross revenues of Rs. 150 crore.

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 3,747 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Dermatology

Dermatology is our 4th largest therapy area contributing to INR 3,310 mn or 14% of our business. During the year, Eris marked its entry in the Dermatology franchise with the acquisition of Oaknet Healthcare, a dermatology focused domestic formulations company. The acquisition brought several marquee brands into the Eris portfolio and provided significant impetus to Eris' specialty franchise and chronic presence.

The Dermatology franchise was further strengthened by acquisition of nine medical dermatology brands from Glenmark followed by acquisition of nine cosmetic dermatology brands from Dr. Reddy's Laboratories.

As an outcome of a series of acquisitions undertaken during the year, Eris is ranked #4 in terms of prescription rank among Dermatologists and #3^ in terms of revenue in the Derma space with a 7%^ market share.
(Source: AWACS MAT Mar'23 | SMSRC MAT Feb'23) ^Rank in the represented market

In FY 23, while the Dermatology market grew at 15.5% yoy, Eris' acquired Dermatology portfolio grew at 10.7%. We expect the growth trajectory of Eris' portfolio to significantly accelerate in the coming years as multiple value-creation levers will come into play including (i) driving sales and marketing excellence, (ii) restarting the new product launch engine, and (iii) expansion of doctor coverage.

FY 23 Revenue = INR 3,310 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Women's Health

Our Women's Health segment contributed INR 1,332 mn or 5% of our business. Over FY 16 to FY 23, our Women's Health franchise has grown at a CAGR of 9.8%.

In FY23, Women's Health market grew by 9.5% yoy. Eris outperformed the market by growing at 36.6%. We have significantly accelerated our investments in this segment through the launch of strategic products like Drolute (Dydrogesterone) and FCM injection in FY23. Our Drolute brand has clocked a revenue of INR 23 crore in its first full year of operations whereas our FCM injection franchise has clocked Rs.16 crore of revenue in the 9-month period post its launch - between July '22 and Mar '23.

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 1,332 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Central Nervous System (CNS)

Our fifth largest therapy area, CNS contributed INR 1,569 mn or 7% of our business.

In FY 23, while CNS market grew by 12.4% yoy, Eris's CNS segment outperformed the market by growing at 16.5%. Over FY 18 to FY 23, our CNS franchise has grown faster than the market by growing at a CAGR of 12.6% as against a market growth of 9.4%.

1.3x times faster growth than market

CAGR over FY 16 - FY 23

Source: AWACS MAT Mar'23
**data not adjusted for stockist panel changes during the 7 year period*

FY 23 Revenue = INR 1,569 mn

FY 23 YoY growth rate

Source: AWACS MAT Mar'23

Key new launches in FY23
Nobix, Sonaxa, Trivoxetin and Healsenz Ointment

OUR IT PLATFORM

As we move towards a digital-first era and hyper-digitised business models, organisation strategies are inevitably getting more integrated with digital technologies. Digital transformation has become a necessity for businesses to remain competitive and relevant. This year has been marked by significant investments in technology, innovation, and collaboration. Our efforts have been focused on harnessing the power of technology to enhance our business processes, stakeholder experiences and cyber security while also fostering innovation and agility.

DIGITALIZATION OF OPERATIONS

Microsoft Office 365 Migration

During the year, we have migrated to Microsoft Office 365, an enterprise grade email with enterprise level security and Microsoft Teams for improved collaboration and communication across stakeholders, resulting in faster time-to-market and greater agility. Furthermore, we have embarked on Robotic Process Automation (RPA) with Power Automate, to harness the power of automation in processes and workflows, reduce errors, and improve efficiency.

Project LEAP

Agility and unceasing innovation remain two of the key pillars of any enterprise in today's realm. In an effort to strengthen these pillars and improvise the existing enterprise resource solution, Eris has undertaken project LEAP. Eris' flagship drive to digitize its operational core (legacy bespoke ERP) to SAP RISE on AWS cloud.

Adoption of a Lean Data Centre

To enhance our data storage, processing, and accessibility, we have embraced cloud technology which has enabled us to improve our operational efficiency and improve security. We have adopted a cloud-first approach to reduce the overall server footprint in our data centres. In this context, a 6-5-N (6 Actions, 5 Perspectives, N Iterations) cloud strategy has been deployed.

Foray into wearables

To consider that the new wearable technology for diabetes may transform the way diabetes is managed in the future would not be an exaggeration. In the year gone by, Eris has taken a step forward in this direction and introduced Continuous Glucose Monitor as a wearable device that not only monitors and tracks the insulin levels of the patient every three minutes, but also removes the need for a painful prick method.

Furthermore, a pilot mobile app (Circa CGM) was launched, with a melange of technologies such as wearables, sensors, BLE, cloud based & Artificial Intelligence. The application assists patients in reaching their desired insulin.

Eris is moving towards Smarter Patient care and is planning for a more feature-driven App this year.

Digital Marketing Initiative

Our continuous endeavours towards digitising our market engagement led us to introduce Holography, Augmented

Reality (AR), and Virtual Reality (VR) in order to create immersive, personalized, and memorable detailing experiences for doctors. This technology can be used to create holographic representations of drug molecules or disease pathways, providing doctors with a better understanding of the science behind our products. Initial introductions have been very well received by the doctors and only proves to be encouraging for us.

Our digital transformation journey has been a significant one, marked by innovation, collaboration, and growth. We have made great strides this year and are well-positioned to continue driving our business forward in the years to come.

OUR PEOPLE

A Beacon for Excellence and Growth

We believe that our human capital has a vital role to play in our growth. Eris's human resource management systems and processes intend to enhance organisational capability and vitality, so that the business operates to standards of the highest order. Eris is committed to implement talent management practices that are relevant and effective and drive superior performance. With a talent pool of more than 5,000 employees, we remain committed to investing in our talent pool with a continued focus on driving excellence and growth.

The HR function's strategy is focused on creating a future-ready workplace, strengthening the company culture, building capability for business and nurturing careers. Some of the key initiatives undertaken by HR are detailed herewith.

Learning and Development

At Eris, learning and development is a vital element of our talent management and development process that facilitates in widening the ambit of knowledge and capabilities of our employees. We encourage people to develop the skills and expertise required to achieve their professional goals. By providing a range of learning and development programmes, we empower and support our people in achieving their full potential.

During the year, a select group of employees from the marketing division were enrolled for a five-month program at a national level management institute for enhancing and developing the requisite skills.

Saksham

Saksham is a talent pool development programme designed and developed specifically to enhance the skill set of BEs. The candidates participate in a three days workshop, evaluation process and screening process by way of scientific tests, case study discussion and panel interaction. On successful completion of the program, the candidates are promoted leading to better career prospects.

Reward programme

During the year, we have introduced a reward programme to recognise top performers from various departments, including but not limited to sales and marketing, manufacturing among others. In addition to enhanced employee engagement, the programme also results in improved productivity, boosts employee retention, and creates a more positive workplace.

Aagman

A corporate induction program, establishing a strong foundation that enables new employees to get a better understanding of not just the organizational policies and processes but how they can align with the organizational goals. During the course of the program, new hires get an opportunity to acclimatize to the new work environment, company culture and role.

Employee Engagement

Eris endeavours to provide a conducive and supportive work environment to help the employees excel through various employee engagement programs. Employee motivation and engagement are deeply embedded in our approach. In that spirit, we organise team sports and games; and celebrate festive occasions. Besides, we also undertake efforts to inculcate reading practice among employees encouraging them to take a book of their choice from our in-house library every week.

During the year, we hosted the first edition of the Eris Medical Premier League; a science-based quiz competition for the employees across the country. The event witnessed a total

participation of over 2,400 employees brimming with enthusiasm and zeal making it a grand success.

IT enabling of HR processes

One of the key initiatives drawn and executed during the year comprised the IT enabling of HR processes. Technology enabled human resource process comprised major areas like recruitment and on-boarding, performance management system and learning management system. The service empowered employees to access any employee-related information with accuracy.

5,680	Employees	3,443	Medical Representatives*
1,415	Field Managers	423	Manufacturing
103	Sales and Marketing	28	Intellectual Property and Research
268	Others		

**In the Branded Formulation and Trade Generics business (Including Oaknet)*

OUR DISTRIBUTION NETWORK

Enhancing Reach and Strengthening Presence

Eris undertakes continuous and focused efforts to strengthen the depth of its distribution network. With robust systems and processes, an agile and responsive supply chain, and synergies arising from distributing various kinds of products, the distribution system is a source of competitive advantage for Eris and is well poised to support the rapid scale up of operations in the coming years.

Eris's pan-India distribution network facilitates availability of its products in over half a million retail chemist outlets across the nation through 2,000+ stockists

**Source: AWACS Mar'23*

OUR MANUFACTURING INFRASTRUCTURE

Crucial Levers in Place

Eris' manufacturing team is led by industry experts who possess decades of rich experience in various manufacturing aspects. Plants and the various functions are staffed by experienced and competent personnel across levels ensuring standards of highest magnitude. During the year, our state-of-the-art manufacturing facility at Guwahati accounted for 70% of all products sold (by value), down from ~ 80% last year

- 70% of revenues from products manufactured at Guwahati in FY 23
- State-of-the-art manufacturing facility in Guwahati, Assam
- 300+ products manufactured
- 1 Lakh sq ft built-up area
- Our manufacturing facility is eligible to avail of certain tax incentives including income tax exemption and GST subsidies until FY 2025
- WHO GMP guidelines compliant

Capacity Utilization for Prescription Products

Products	Capacity (mn units pa)*	Output (mn units)	Capacity Utilisation
Tablets	1,440	1,019	71%
Capsules	150	62	41%
Sachets	2.4	1	35%
Soft Gel Tablets	216	65	30%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (mn units pa)*	Output (mn units)	Capacity Utilisation
Tablets	25	12	48%
Capsules	25	14	55%
Sachets	1.2	1	51%

**Installed capacity based on two shifts per day*

Compliance to Good Manufacturing Practices (GMP) continues to remain a strong focus area for us

Successful commissioning of the New Manufacturing Plant

During the year, our capacity building initiative continued full throttle. As an outcome, we have successfully commissioned our new green field manufacturing plant in Gujarat supporting our pipeline of new product introductions as well as commencing in-house manufacturing of certain previously outsourced products.

- Greenfield Manufacturing Plant in Gujarat
- Footprint: 10x of the existing Guwahati Facility
- Capability to manufacture Oral Solids, Sterile Injectables, Oral Liquids and Topical Formulations

Research & Development Unit Laboratories for Formulation Development, Analytical & Microbiology

Built to WHO GMP standards

Installed Capacity for Various Dosage Forms	
Products	Capacity (mn units pa)*
Tablet	2,160
Capsule	240
Oral Liquid	18
Injectable	36
Ointment	84

**Installed capacity based on two shifts per day*

ENVIRONMENT, SAFETY AND SOCIAL RESPONSIBILITY

During the year, we continued to undertake a host of initiatives at our manufacturing plant in Guwahati to improve energy efficiencies. As an outcome, we were able to save ~41,000 units of energy per month. Some of the continued energy saving initiatives undertaken during the year are mentioned below:

- Reduction in energy consumption for compressed air generation by placing an air reservoir to store and maintain air pressure
- Hot water tanks have been insulated to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals
- Cladding of hot water line has been undertaken to prevent any energy loss

At our manufacturing plant in Guwahati, we are utilizing an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process, designed for the removal of the liquid waste from the system. The focus of the treatment process is to reduce wastewater economically and generate clean water that is suitable for reuse in gardening, cooling tower and other utilities. As a result, the plant processed an average of ~7,800 litres of effluents per day in the last financial year. Our rain water harvesting system which ensures optimum utilization of rain water, harvested ~75,000 litres of rain water per month.

Eris continues to build and improve its occupational health and safety management systems. Hazards and risk associated with site activities are identified and risk control and mitigation measures are implemented periodically. Specific safety protocols are put in-place so that steps on pre-emptive action for safety can be taken on a timely basis. There have been no casualties or accidents at our manufacturing facility in Guwahati since inception. Some of the key health and safety measures adopted at the plant are:

- Conducting frequent risk assessments and regular checks to ensure safety of employees
- Imparting periodic training on fire and first-aid by a team of experts
- Celebrate safety week which covers all aspects of safety measures
- Conducting medical check-up for all employees

We strive to maintain healthy relationships and engagement with local communities and have initiated and adopted social and community welfare undertakings which include a wide spectrum of development activities. The community activities implemented in the vicinity of the manufacturing plant are done in response to the immediate needs of the communities.

FINANCIAL REVIEW

Financial Highlights

Summary Consolidated Income statement

Particulars (INR million)	FY 22	FY 23	Growth %
Revenue from Operations	13,470	16,851	25.1%
Gross Profit	10,885	13,328	22.4%
EBITDA	4,850	5,367	10.7%
EBIT	4,203	4,197	(0.1%)
Profit Before Tax	4,422	4,046	(8.5%)
Profit After Tax	4,058	3,742	(7.8%)
Earnings per share (INR)	29.89	28.10	(6.0%)

Summary Standalone Income statement

Particulars (INR million)	FY 22	FY 23	Growth %
Revenue from Operations	12,157	13,307	9.5%
Gross Profit	10,161	10,943	7.7%
EBITDA	4,840	5,051	4.4%
EBIT	4,325	4,405	1.8%
Profit Before Tax	4,585	4,369	(4.7%)
Profit After Tax	4,172	3,980	(4.6%)

Revenue from Operations:
For the year under review, the Company's Standalone Revenue from Operations grew by 9.5% to INR 13,307 mn from 12,157 mn last year. The standalone revenue growth excluding the impact of Covid products and "at risk" launches stood at 15.6%. The consolidated Revenue from Operations grew by 25.1% to INR 16,851 mn from INR 13,470 mn in FY 22. The consolidated revenue excluding the impact of Covid products and "at risk" launches stood at 31%.

Gross Profit:
The standalone gross profit margin stood at 82.2% in FY 23, down 134 bps yoy due to a higher proportion of third-party sourcing this year. We have maintained an average standalone gross margin of 83% over the last 4 years, which is one of the highest in the industry. The standalone gross profit margin (branded formulations) decreased from 83.6% in FY 22 to 82.2% in FY 23 on account of higher proportion of outsourced manufacturing.

The consolidated gross profit margin stood at 79.1% in FY23, down 172 bps yoy driven by the impact of Oaknet and several new product launches including our Insulin products. We expect the consolidated gross profit margin to improve starting FY24 in tandem with Oaknet margin expansion, narrowing of Insulin operating losses and scale-up of new products.

Employee Expenses:
The standalone employee expenses grew by 15% yoy as we expanded our field team by ~ 170. The consolidated employee expenses were INR 3,462 mn, up by 38% yoy. This was driven by two factors – (i) creation of a 200-member field team in Eris MJ for our Insulin business, and (ii) the amalgamation of the Oaknet team. The YPM (Yield per Man per Month) in our standalone operations (branded formulations business) for FY23 stood at INR 5 lakh per month.

Other Expenses:
Standalone Other Expenses grew by 7.9% in FY23 and remained in line (as a percentage of revenue) with the previous year at 25.3% in FY23. While our Consolidated Other Expenses grew by 27.3% as a result of the addition of Oaknet and Eris MJ, our Insulin venture. Consolidated Other Expenses as a percentage of revenue have increased marginally from 26.2% in FY22 to 26.7% in FY23.

Depreciation and Amortisation:
Consolidated Depreciation and Amortisation increased from INR 647 mn in FY22 to INR 1171 mn in FY23, of which INR 798 mn is accounted for the amortisation of deal-related expenditure.

Finance Expenses and Other Income:
Consolidated Finance Cost increased from INR 41 mn in FY22 to INR 262 mn in FY23. Whereas Consolidated Other Income declined from INR 261 mn in FY22 to INR 112 mn in FY23. These changes are outcomes of the balance sheet impact of the three acquisitions consummated in FY23.

Earnings before Depreciation, Amortisation, Interest and Taxes (EBITDA):
The standalone EBITDA stood at INR 5,051 mn representing a 38% margin and down ~ 185 bps yoy largely driven by the 134 bps increase in COGS. Consolidated EBITDA stood at INR 5,367 mn, representing a 32% margin as guided by us at the start of the year.

Tax Expenses:
Our effective tax rate declined slightly to 7.5% in FY 23 from 8.2% in FY 22 as we continue to enjoy tax exemption at our Guwahati manufacturing facility which catered to 70% of our standalone revenue.

Profit After Tax (PAT):
Consolidated Profit after Tax for the year at INR 3,742 mn with PAT margin of 22.2% and standalone Profit after Tax for the year at INR 3,980 mn with PAT margin of 29.9%.

Debt:
We consummated 3 acquisitions in FY23 with a deal value of INR 12,650 mn. In May 2022, we acquired Oaknet Healthcare for INR 6,500 mn, of which INR 3,000 was paid through our internal accruals and the rest through borrowings. In Jan 2023, we acquired 9 Derma brands from Glenmark for INR 3,400 mn and in Mar 2023 we acquired 9 Cosmetology brands from Dr Reddy's for INR 2,750 mn. The Glenmark and Dr. Reddy's transactions were financed through borrowings.
Our net debt as on 31st Mar 2023 stood at INR 7,740 mn. Our Net Debt to EBITDA ratio stood at 1.45x and are targeting significant prepayment of debt in FY24.

Operating Cashflow:
Our consolidated Operating cashflow (OCF) to EBITDA ratio in FY 23 stood at 75% (adjusted for GST-related one-off items on brand acquisitions). I am happy to note that we have maintained an average OCF to EBITDA ratio of 75% for a number of years now – from FY17 through to FY23.

Working Capital:
Our core working capital (inventory, debtors and payables) in the standalone business stood at 58 days of operating revenue in FY 23. Our Debtor turnover days in the standalone operations increased from 41 days of operating revenue in FY 22 to 63 days of operating revenue in FY 23 as we continue to invest in new launches.

Key Financial Ratios – Consolidated

Ratio	FY 22	FY 23	Variance
Profitability Margin ratios			
Gross Margin	80.8%	79.1%	(172) bps
EBITDA Margin	36.0%	31.9%	(415) bps
EBIT Margin	31.2%	24.9%	(629) bps
PAT Margin	30.1%	22.2%	(792) bps
Return ratio			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	33.9%	19.6%	(1428) bps
Return on net worth (RoE) (ex treasury investments and cash & cash equivalents)	33.4%	22.0%	(1134) bps
Working capital ratios			
Net Working Capital days	58	50	(12.9%)
Debtors days	44	63	45.4%
Inventory days	32	28	(10.9%)
Gearing ratios			
Interest coverage ratio	101	16	(84.2%)
Debt/Equity ratio	0.2	0.7	245.4%
Liquidity ratios			
Current ratio	3.1	1.7	(45.1%)
Current Assets	6,273	7,647	21.9%
Current Liabilities	1,996	4,432	122.0%

Key Financial Ratios – Standalone

Ratio	FY 22	FY 23	Variance
Profitability Margin ratios			
Gross Margin	83.6%	82.2%	(134) bps
EBITDA Margin	39.8%	38.0%	(185) bps
EBIT Margin	35.6%	33.1%	(248) bps
PAT Margin	34.3%	29.9%	(441) bps
Return ratio			
Return on Invested Capital (ex treasury investments and cash & cash equivalents)	44.2%	34.9%	(935) bps
Working capital ratios			
Net Working Capital days	62	52	(15.5%)
Debtors days	41	63	52.2%
Inventory days	25	17	(31.4%)
Gearing ratios			
Interest coverage ratio	145	21	(85.4%)
Debt/Equity ratio	0.1	0.3	109.2%
Liquidity ratios			
Current ratio	3.5	1.9	(44.2%)
Current Assets	5,800	5,521	(4.8%)
Current Liabilities	1,662	2,838	70.7%

Internal Financial Control

The pharmaceutical industry is highly regulated, and as such, the company has established a robust system of internal financial controls to ensure compliance with applicable laws and regulations, as well as to maintain the integrity of financial reporting and safeguard company assets.

During the year, management reviewed the internal financial control system and has determined that it is operating effectively. No material weaknesses or significant deficiencies were identified during the year.

The company's internal financial control system includes policies and procedures for financial reporting, risk management, and compliance with regulatory requirements such as Good Manufacturing Practices (GMP) and Good Distribution Practices (GDP). The company also has monitoring mechanisms in place to ensure the ongoing effectiveness of the controls.

These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Overall, management believes that the company's internal financial control system is effective in achieving the company's objectives, including compliance with regulatory requirements, and providing reliable financial reporting. The company remains committed to maintaining a strong internal financial control environment to support its operations and ensure the confidence of its stakeholders.

Risk and Risk Mitigation

The pharmaceutical industry is subject to various risks that can have significant consequences for the company's financial performance, reputation, and ability to operate. These risks include product development risks, regulatory risks, clinical trial risks, and intellectual property risks, among others.

The company has a Risk Management Committee which is entrusted with the responsibility of overseeing various strategic, operational, compliance and financial risks the organisation faces. The Risk Management Committee reviews and addresses the risks on periodic basis.

The company has established a robust risk management framework to identify, assess, and mitigate these risks. The risk management framework includes regular risk assessments, mitigation plans, and monitoring mechanisms to ensure that risks are effectively managed. The internal auditors carry out a comprehensive risk-based audit which is reviewed by the Risk Management Committee to strengthen the risk mitigations.

During the year, management identified several risks that could potentially impact the company's operations, including regulatory changes, supply chain disruptions, and cybersecurity threats. The company implemented various risk mitigation strategies, such as diversifying its supply chain, enhancing its cybersecurity protocols, and closely monitoring regulatory developments.

Management believes that the risk mitigation strategies implemented during the year were effective in mitigating identified risks. However, the company remains vigilant and is continuously monitoring and assessing its risks to identify any new or emerging risks that may require additional mitigation efforts.

In addition to the company's risk management framework, the company also maintains insurance coverage to provide additional protection against potential risks.

Outlook

Strengths And Opportunities

Strong brands: The Company continues to focus on maintaining the strength of its brand portfolio; the Top 20 Mother Brands contribute ~70% of its revenue and have grown at 17% in FY23. With 15 out of these 20 brands being ranked among the Top-5 in their respective segments, they are well poised for strong future growth.

Patent Expiration opportunities: A number of major molecules will lose exclusivity in the cardio metabolic segment in the next 3-5 years. On the back of its established position in this market, Eris is well positioned to leverage these opportunities as has been evidenced over the last 3 years.

Leading prescription ranks: The Company's strong portfolio of Mother Brands enjoys leading prescription ranks with their

respective doctor specialties. The Company holds a dominant position in key specialty areas such as diabetologists, cardiologists, neurologists, gynecologists, dermatologists and consulting physicians. Prescription ranks, implying the growth in new prescriptions, are a leading indicator of growth.

Prescription ranking among super specialists:

Diabetologists	5th
Cardiologists	5th
Dermatologists	4th
Neurologists	4th
Gynecologists	7th
Consulting Physicians	7th

(Source: SMSRC MAT Feb'23)

Patient care initiatives: Our unique Patient care initiatives approach to doctor engagement leads to a professional and science backed customer relationship which apart from helping the healthcare community manage the disease burden, create immense brand equity for the Company.

Strong balance sheet: The Company has consistently generated profits and maintained strong cash flows. The Company follows strong return discipline in capital allocation decisions which has helped in having a strong balance sheet with superior returns on invested capital and net worth for the benefit of shareholders.

Operating efficiency: The yield per man (YPM) for the Company has potential of scaling up to industry leading numbers. With improvement in the YPM metric margin efficiency also improves.

Manufacturing footprint: The manufacturing facility in Guwahati, Assam currently operating at ≈70% capacity utilisation on a two-shift basis is capable of being scaled up to triple shift basis. The unutilised capacity will provide operating leverage benefit to the Company as sales of the products manufactured from the facility increases. The second manufacturing facility in the state of Gujarat will support our pipeline of new product introductions and complement our existing manufacturing facility.

Demographic tailwinds: Overall healthcare spending in India is expected to rise due to rise in population, consistent economic development and rapid urbanisation, improved affordability, high real GDP growth rate and improving GDP per capita rising healthcare awareness among the masses and greater demand for insurance coverage, boosted by government and private insurer initiatives.

Increased lifestyle related diseases: Increasingly sedentary lifestyle, changing consumption patterns and rapid urbanization has led to a widespread rise in chronic ailments. As the market and economy mature, India is expected to see a higher share of chronic diseases in line with other emerging and most developed nations.

Health Insurance coverage: Greater demand for insurance coverage, boosted by government and private insurer initiatives will help drive the expansion of healthcare services and pharmaceuticals market in India.

Rising healthcare awareness: Enabled by rising medical information portals and healthcare start-ups, patients are becoming more aware of diseases and preventive therapies/ medicines.

Increase in government health expenditure: The government has plans of increasing focus on healthcare, doubling its share of expenditure as a % of GDP by 2025.

Threats, Risks and Concerns

Pandemic-like Situation: The outbreak of the COVID-19 like pandemic across the world and subsequent disruption in economic activities apart from impacting GDP across countries also causes various disruptions which impacts demand of pharmaceutical products.

Regulatory Overhang: The Drug Price Control (Amendment) Order limits price increases in schedule drugs mentioned in the National List of Essential Medicines (NLEM). While it has been observed that competitive forces in the market have been more effective in controlling prices, amendments in the list will continue to pose challenges for the industry. As on 31st March 2023, 7% of the Company's revenue were from drugs scheduled in the NLEM (vs. 14% for the Indian Pharma Market).

Going Ahead

Eris's strong current portfolio will further reap benefits of investments in products, promotions, processes and people in last couple of years. While the existing business remains the main engine of growth for the Company, in-licensing, exploring newer therapeutic areas and future patent expiries are some areas that it will leverage for future growth. Productivity is also expected to improve further with further expansion in doctor reach.

The Company is confident to continue to outperform in core therapies as a result of super speciality focus, strong power brands, presence in fast growing molecules and adaptability and resilience of the business model.

Safe Harbour and Cautionary Statement

Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Important factors that could make a difference to the Company's operations include our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, allocations of funds by the Governments in the healthcare sector, increasing competition and the conditions of our customers, suppliers and the pharmaceutical industry, global and Indian demand-supply conditions, finished goods prices, cyclical demand and pricing in the Company's principal markets, changes in government laws and regulations, tax regimes, our provisioning policies, economic and political developments within India and the countries within which the Company conducts businesses and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Amit Bakshi
Chairperson & Managing Director
Mr. Krishnakumar Vaidyanathan
Executive Director & COO
Mr. Inderjeet Singh Negi
Executive Director
Mr. Kaushal Shah
Executive Director
Mr. Sujesh Vasudevan
Independent Director
Ms. Kalpana Unadkat
Independent Director
Mr. Prashant Gupta
Independent Director
Mr. Rajeev Dalal
Independent Director

AUDIT COMMITTEE

Mr. Rajeev Dalal
Chairperson
Ms. Kalpana Unadkat
Member
Mr. Prashant Gupta
Member
Mr. Krishnakumar Vaidyanathan
Member

BANKERS

AXIS Bank Limited
HDFC Bank Limited
State Bank of India
CITI Bank N.A.

CHIEF FINANCIAL OFFICER

Mr. Sachin Shah

COMPANY SECRETARY

Mr. Milind Talegaonkar

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP

INTERNAL AUDITORS

M/s. Agrawal Dhand Motwani & Co.

COST AUDITORS

M/s. Kiran J Mehta & Co.

SECRETERIAL AUDITORS

M/s Ravi Kapoor & Associates

REGISTERED OFFICE

Shivarth Ambit, Plot No. 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380054

MANUFACTURING FACILITY

Plot Nos. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited C - 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

BOARD OF DIRECTORS

MR. AMIT BAKSHI
CHAIRMAN AND MANAGING DIRECTOR

Mr. Amit Bakshi has been on the Board of Eris since inception and serves as Chairman and Managing Director. He has over two decades of experience in the Indian pharmaceutical industry across multiple Indian and MNC pharmaceutical companies. He takes responsibility for setting the strategic direction for Eris as well as maintaining high governance standards. He oversees the company's business with special focus on enhancing patient engagement and architecting total healthcare solutions. Mr. Bakshi has been recognized as 'Entrepreneur of the Year, 2013' by Ernst & Young LLP.

MR. KRISHNAKUMAR VAIDYANATHAN
EXECUTIVE DIRECTOR & CHIEF OPERATING OFFICER

Mr. Krishnakumar in his role as Chief Operating Officer oversees the business operations of the company. He has over two decades of professional experience across Lifesciences, Corporate Finance and Management Consulting. His core areas of expertise include Strategic Planning, Business Building, Mergers & Acquisitions, Corporate Finance and Operational Excellence. Prior to joining Eris, Mr. Krishnakumar was a Corporate Finance Partner with Ernst & Young LLP for 9 years. Prior to Ernst & Young, Krishnakumar has worked with Avendus Capital, Piramal Pharma Solutions and McKinsey & Company. Mr. Krishnakumar holds an MBA in Finance from IIM Calcutta and a B.Tech from VJTI, Bombay University.

MR. INDERJEET SINGH NEGI
EXECUTIVE DIRECTOR

Mr. Inderjeet Singh Negi has been on the Board of Eris since inception and serves in the capacity of Executive Director. He is responsible for driving supply chain and sales administration in line with the overall strategic direction of the company. Mr. Negi has worked with several pharmaceutical companies including Sun Pharma and Intas Pharma in various capacities and has more than 20 years' cumulative professional experience. Mr. Negi is a science graduate from HNB Garhwal university.

MR. KAUSHAL KAMLESH SHAH
EXECUTIVE DIRECTOR

Mr. Kaushal Kamlesh Shah has been associated with Eris since inception and serves in the capacity of Executive Director. He is responsible for driving manufacturing, strategic sourcing and distribution operations. He has 24 years' experience in the pharmaceutical industry. Mr. Shah holds a bachelor's degree in commerce from Gujarat University and a post graduate diploma in management from Som-Lalit Institute of Management Studies.

MR. SUJESH VASUDEVAN
INDEPENDENT DIRECTOR

Mr. Sujesh Vasudevan is an Independent Director at Eris. A Harvard alumnus, he brings 32+ years of experience in the pharma industry across leading Indian and global companies such as Glenmark, Abbott, and Torrent in the areas of Sales & Marketing and Business Development. He has built and led international businesses for some of these companies. Mr. Sujesh is a Senior Advisor to the Boston Consulting Group (BCG) and a Consultant to Warburg Pincus.

MS. KALPANA UNADKAT
INDEPENDENT DIRECTOR

Ms. Kalpana Unadkat is an Independent Director at Eris. She is a qualified Solicitor registered with the Bombay Incorporated Law Society and the Law Society of England & Wales. She brings over two decades of legal experience and is presently a Partner with Khaitan & Co. Prior to Khaitan & Co., Ms. Unadkat spent 10 years with the London offices of Ashurst LLP. She is a well-recognised expert on M&A and Corporate Governance principles. She also advises on board effectiveness, particularly around issues of corporate governance, leadership, organisational climate, and decision-making. In this regard, she has led several workshops and trained more than 300 directors with a comprehensive approach to director development. She is also an independent director on the board of public companies (listed and unlisted). She is a co-author of the research "Women on Board" and has been frequently quoted in the media on corporate governance and M&A deals in India.

MR. PRASHANT GUPTA
INDEPENDENT DIRECTOR

Mr. Prashant Gupta, is an Independent Director at Eris. He is a Partner in the corporate law department of Shardul Amarchand Mangaldas & Co. Mr. Gupta has been recognized by Who's Who Legal, Chambers Asia, Indian Lawyer 250, Legal500 and other leading industry publications as one of the leading capital markets practitioners in India. He was selected by the Indian Business Law Journal as one of the top 100 lawyers in India in 2016 and 2017. Mr. Gupta received his Bachelor of Arts and Master of Arts in Jurisprudence from the University of Oxford, England, and a Bachelor's degree in Commerce from the Shri Ram College of Commerce, University of Delhi. He is member of the Bar Council of Delhi and State Bar of California.

MR. RAJEEV DALAL
INDEPENDENT DIRECTOR

Mr. Rajeev Dalal is an Independent Director at Eris. He brings over 37 years of experience in corporate finance covering 100+ M&A (domestic and cross border) transactions and Private Equity deals in sectors such as Pharma, Chemicals, FMCG, Metals & Mining, Industrials and Financial Services. Mr. Dalal was a corporate finance Partner at Ernst & Young LLP since 2002, consequent to the merger of Arthur Andersen with Ernst Young in India. Prior to that in 1990, Rajeev co-founded Ind Global Finance Trust (IGFT), which was acquired by Arthur Andersen in the year 2000. Prior to co-founding IGFT, Rajeev worked with HSBC and JM Financial in their investment banking divisions. Mr. Dalal is a member of the Institute of Company Secretaries of India. He is also a Law and Commerce Graduate from Bombay University.

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company have pleasure in presenting their 17th Annual Report (7th Post – IPO) on the business and operations of the Company together with the Audited Financial Statements for the financial year ended on March 31, 2023.

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS:

During the year under review, the performance of your Company was as under:

(Rs. In Million)

Particulars	Standalone		Consolidated	
	Financial Year ended on March 31,2023	Financial Year ended on March 31, 2022	Financial Year ended on March 31, 2023	Financial Year ended on March 31, 2022
Revenue from Operations	13,307.25	12,157.30	16,851.49	13,470.43
Other Income	172.64	289.89	111.53	260.94
Total Revenue	**13,479.89**	**12,447.19**	**16,963.02**	**13,731.37**
Operating EBITDA	5,051.14	4,839.95	5,367.46	4,849.55
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	5,223.78	5,129.84	5,478.99	5,110.49
Less: Depreciation/ Amortisation/ Impairment	(646.57)	(514.55)	(1,170.88)	(647.05)
Profit /loss before Finance Costs, Exceptional items and Tax Expense	4,577.21	4,615.29	4,308.11	4,463.44
Less: Finance Costs	(208.10)	(29.91)	(261.68)	(41.46)
Profit /loss before Exceptional items and Tax Expense	4,369.11	4,585.38	4,046.43	4,421.98
Add/(less): Exceptional items	0	0	0	0
Profit/(Loss) before taxation	**4,369.11**	**4,585.38**	**4,046.43**	**4,421.98**
Less : Tax Expenses (Current & Deferred)	(389.03)	(413.46)	(304.83)	(364.09)
Profit /loss for the year	3,980.08	4,171.92	3,741.60	4,057.89
Profit after tax before share of profit/(loss) of minority interest	**3,980.08**	**4,171.92**	**3,741.60**	**4,057.89**
Share of profit/(loss) attributable to Minority Interest	0	0	(79.98)	(3.24)
Profit for the year attributable to the shareholders of the company	**3,980.08**	**4,171.92**	**3,821.58**	**4,061.13**

(Rs. In Million)

Particulars	Standalone		Consolidated	
	Financial Year ended on March 31,2023	Financial Year ended on March 31, 2022	Financial Year ended on March 31, 2023	Financial Year ended on March 31, 2022
Other Comprehensive Income/(Loss)	(1.49)	(10.05)	(0.59)	(9.82)
Total Comprehensive Income/Loss	**3,978.59**	**4,161.87**	**3,742.19**	**4,048.07**
Owners of the company	3,978.59	4,161.87	3,822.17	4,051.31
Add : Balance B/F from the previous year	18,922.78	15,577.39	18,736.53	15,503.13
Less: Transfer to Debenture Redemption Reserve, If any	0	0	0	0
Less: Transfer to Reserves	0	0	0	0
Less: Interim dividend	(999.31)	(816.48)	(999.40)	(816.48)
Less: Utilised for buy back of shares	0	0	0	0
Less: Change in Non-controlling interest / Transfer due to merger	0	0	0	(1.43)
Balance Profit / (Loss) C/F to the next year	**21,902.06**	**18,922.78**	**21,559.30**	**18,736.53**

2. STATE OF AFFAIRS (standalone):

- The gross sales and other incomes for the financial year under review were Rs. 13,479.89 million as against Rs. 12,447.19 million in the previous year, recording a growth of 8.30%
- The profit before tax was Rs. 4,369.11 million for the financial year under review as against Rs. 4,585.38 million for the previous financial year, registering a decrease of 4.72%
- The profit after tax for the financial year under review was Rs. 3,980.08 million as against Rs. 4,171.92 million for the previous financial year, registering a decrease of 4.60%.

3. DIVIDEND:

In line with the Dividend Distribution Policy of the Company, during the financial year under review, the Company had paid Rs. 7.35 per equity share (at the rate of 735%) as an interim dividend and during the previous year the Company had paid Rs. 6.01 (at the rate of 601%) per equity share as an interim dividend with no final dividend. No final dividend has been recommended by the Board of Directors.

The Company has adopted the Dividend Distribution Policy and the said policy is available on the website of the Company at https://eris.co.in/corporate-governance/

4. CAPITAL EXPENDITURE (standalone):

As on March 31, 2023, the gross fixed assets (tangible and intangible) stood at Rs. 10,948.28 million (previous year Rs. 7,833.96 million) and the net fixed assets (tangible and intangible), at Rs. 8,978.13 million (previous year Rs. 6,420.03 million).

Capital expenditure during the financial year under review amounted to Rs. 3,112.65 million (previous year Rs. 532.83 million) including a purchase of Part of the dermatology portfolio of Dr. Reddy's Laboratories Ltd. by way of acquisition of 9 (Nine) trademarks along with their applicable line extensions.

During the financial year under review, the Company has paid Rs. 6,554.90 million for business acquisition/consolidation of holding of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (previous year NIL).

5. TRANSFERS TO RESERVES:

The Company has not transferred any amount to the reserves during the financial year under review. (previous year: NIL)

6. CHANGES IN CAPITAL STRUCTURE:

During the financial year under review, the Company had issued and allotted 60,520 equity shares to its employees under the "Eris Lifesciences Employee Stock Option Plan 2017" and 1,521 equity shares to its employees under the "Eris Lifesciences Employee Stock Option Plan 2021". As a result, the issued, subscribed, and paid-up share capital of the Company increased from Rs. 13,59,30,197/- (divided into 13,59,30,197 equity shares of Re. 1/- each) to Rs. 13,59,92,238/- (divided into 13,59,92,238 equity shares of Re. 1/- each). The equity shares issued under the Eris Lifesciences Employee Stock Option Plan 2017 and Eris Lifesciences Employee Stock Option Plan 2021 ranks pari-passu with the existing equity shares of the Company.

7. STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells LLP, having Firm's Registration No. 117366W/W-100018, Statutory Auditors of the Company, were re-appointed at the 15th Annual General Meeting (AGM) held on September 01, 2021, and will complete their term at the end of the 19th AGM (9th Post IPO) of the Company.

Qualification, reservation, or adverse remark or disclaimer made by the Statutory Auditors in the Audit report:

The Auditor's Report for the financial year ended March 31, 2023, does not contain any qualification, adverse remark, reservation or disclaimer and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

8. COST AUDITORS:

The Company has made and maintained cost accounts and records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, for the financial year 2022-23. The Cost Audit Report, for the year ended March 31, 2022, was filed with the Central Government within the prescribed timeline.

M/s Kiran J Mehta & Co., Cost Accountants have been duly reappointed by Board to conduct the audit of the cost records of the Company for the financial year 2023-24.

The remuneration payable to the Cost Auditor is subject to ratification by the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s Kiran J Mehta & Co., Cost Accountants, to conduct the audit of cost records of the Company for the financial year 2023-24 has been included in the Notice of the forthcoming 17th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

9. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board, pursuant to Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has duly re-appointed M/s. Ravi Kapoor & Associates, Practicing Company Secretaries, Ahmedabad as the Secretarial Auditor of the Company to conduct Secretarial Audit as per the provisions of the Companies Act, 2013, for the financial year 2023-24.

The Secretarial Auditor of the Company and its material subsidiary have carried out the Secretarial Audit for their respective entities and their reports in form MR-3, for the financial year 2022-23, are annexed as **"Annexure 1"** to this report.

Qualification, reservation, or adverse remark or disclaimer made by the Secretarial Auditors in the Audit report:

The Secretarial Auditor's Report for the financial year ended on March 31, 2023, does not contain any qualification, adverse remark, reservation, or disclaimer and therefore, does not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

10. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies, processes, and structure for ensuring the orderly and efficient conduct of its business with adequate and effective internal financial control across the organization, including adherence to the Company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Also, the Company has an internal audit system commensurate with the size of the Company and periodic audits of the internal functions and processes of the Company are ensured by the Board of Directors.

11. CONSERVATION OF ENERGY, RESEARCH, AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS, AND OUTGO:

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, appears at **"Annexure 2"** to this report.

12. SUBSIDIARY COMPANIES/ JOINT VENTURE/ ASSOCIATE COMPANY:

As on March 31, 2023, the Company has (4) four wholly-owned subsidiaries and (1) one subsidiary and (1) one step down subsidiary. As per the provisions of the Companies Act, 2013, there are no associates or joint venture companies of the Company.

The Company acquired 100% stake in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) at the company valuation of Rs. ~6,554.90 million through judicious mix of internal accruals and borrowings during the financial year 2022-23.

There has been no material change in the nature of the business of the subsidiaries of the Company.

The Board of Directors had reviewed the affairs of all the subsidiaries of the Company.

The following changes occurred in the subsidiary companies of the Company:

- During the year under review, no company ceased to be a subsidiary of the Company.
- During the year under review, Eris Therapeutics Limited, a wholly owned subsidiary, has commenced its operational activities.
- Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited), a wholly owned subsidiary, acquired a part of the dermatology portfolio of Glenmark Pharmaceuticals Limited by way of acquisition of 9 (Nine) trademarks along with their applicable line extensions at a total consideration of Rs. ~3,400 million.
- Eris Healthcare Private Limited, a wholly owned subsidiary, demerged its Acquired Brands business to the Aprica Healthcare Limited, a wholly owned subsidiary, through a scheme of arrangement in the nature of Demerger approved by the National Company Law Tribunal order dated December 23, 2022.

The Company has formulated a policy for determining material subsidiaries. The Policy may be accessed at https://eris.co.in/corporate-governance/

13. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANIES/ JOINT VENTURE/ ASSOCIATE COMPANY:

Pursuant to Section 129(3) of the Companies Act, 2013, and Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries/ joint ventures/ associate companies of the Company, bringing out the highlights of their performance, appears at Form AOC – 1 which appears at **"Annexure 3"** to this report. Details pertaining to the subsidiaries of the Company are provided in the notes to the Consolidated Financial Statements.

The Audited Financial Statements of Company's subsidiaries for the financial year ended March 31, 2023, are available on the web link https://eris.co.in/financials/ and the same are also available for inspection at the Registered Office of the Company as per the details mentioned in the notice of the 17th Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same, subject to compliance of the applicable provisions of the Companies Act, 2013.

14. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements have been prepared pursuant to Section 129(3) of the Companies Act, 2013, read with Rule 8(1) of the Companies (Accounts) Rules, 2014, and also as per the Indian Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI), in this regard. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company and its subsidiaries as approved by their respective Board of Directors.

15. ANNUAL RETURN (MGT-7):

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2023, is available on the Company's website at https://eris.co.in/corporate-governance/

16. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee.

The details of the CSR Committee composition, meetings, and the attendance of the Members at the meetings along with other details appear in the Report on Corporate Governance which forms part of this Annual Report.

The annual report on CSR in the prescribed form appears at **"Annexure 4"** to this Report. The content of the CSR Policy is available on the website of the Company at https://eris.co.in/corporate-governance/

17. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report, highlighting the important aspects of the business of the Company appears separately in the Annual Report.

18. CORPORATE GOVERNANCE:

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013, and as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance and the Practicing Company Secretary's Certificate confirming compliances thereof appears at **"Annexure 5"** to this report.

19. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

The Business Responsibility & Sustainability Report as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social, and governance perspective appears separately in the Annual Report.

20. DIRECTORS & KEY MANAGERIAL PERSONNEL:

During the year under review, the following changes occurred in the constitution of the Board of Directors of the Company:

- Ms. Vijaya Sampath, Independent Director, submitted her resignation from the Board of the Company vide her letter dated July 19, 2022, with immediate effect. The Company has placed on record its sincere appreciation for the contribution made by Ms. Vijaya Sampath during her tenure on the Board of the Company.
- Pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013, and the recommendation of the Nomination and Remuneration Committee, the Board of Directors, vide circular resolution passed on July 25, 2022, appointed Mr. Sujesh Vasudevan as an Additional Director (Independent) of the Company, for a term of 5 years commencing from July 25, 2022, upto July 24, 2027. The said appointment of Mr. Sujesh Vasudevan as an Independent Director was approved by the Members in the 16th Annual General Meeting dated September 01, 2022, in accordance with the provisions of the Act and the Listing Regulations.
- Pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013, and the recommendation of the NRC, the Board of Directors, vide resolution passed on June 15, 2022, re-appointed Mr. Prashant Gupta, Independent Director of the Company, for further term of 5 years commencing from April 30, 2023 up to April 29, 2028. The said re-appointment of Mr. Prashant Gupta as an Independent Director was approved by the Members in the 16th Annual General Meeting dated September 01, 2022, in accordance with the provisions of the Act and the Listing Regulations.

Except above, the composition of the Board of Directors did not undergo any changes during the year under review.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence as prescribed thereunder.

The Independent Directors have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013, and the Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, and expertise (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder).

The Company familiarises the Independent Directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model and related risks of the Company, etc. Monthly updates on performance/developments of the Company are sent to the Directors. The brief details of the familiarisation programme are available on the website of the Company at https://eris.co.in/corporate-governance/

There were no changes in Key Managerial Personnel during the financial year 2022-23.

Re-appointment / Appointment

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Krishnakumar Vaidyanathan (DIN: 08976508) retires by rotation at the forthcoming 17th Annual General Meeting and being eligible, offers himself for re-appointment.

Necessary resolutions for approval of the re-appointment of the aforesaid Director has been included in the Notice of the forthcoming 17th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

21. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, the Board of Directors of the Company duly met 6 (six) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

The applicable details of these Board meetings including the attendance of the Directors at those meetings are given in the report on Corporate Governance which forms part of the Annual Report.

22. COMMITTEES OF THE BOARD:

The Company has the following 6 (six) Board Committees which have been established in compliance with the requirement of applicable law(s) and statute(s) and function accordingly:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Executive Committee
- Risk Management Committee

The details with respect to the composition, terms of reference, number of meetings held and other disclosures required to be made in the Board's report etc. of these Committees are given in the report on Corporate Governance which forms part of the Annual Report.

23. EMPLOYEES' STOCK OPTION SCHEME:

Eris Lifesciences Employee Stock Option Plan 2017

The 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017") was approved by the shareholders at their Extra Ordinary General Meeting held on February 3, 2017, and subsequently in the 11th Annual General Meeting held on September 29, 2017, the Shareholders duly ratified the said Plan. The details as required to be disclosed under the Companies Act, 2013, read with the rules made thereunder and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [SEBI SBEB, 2021] are annexed as **"Annexure 6"** and the same are also available on the Company's website at: https://eris.co.in/announcements-notices/

Eris Lifesciences Limited Employee Stock Option Plan 2021

The 'Eris Lifesciences Employee Stock Option Plan 2021' ("ESOP 2021") was approved by the shareholders at their 15th Annual General Meeting held on September 01, 2021. The details as required to be disclosed under the Companies Act, 2013, read with the rules made thereunder and SEBI (Share Based Employee Benefits and sweat equity) Regulations, 2021 [SEBI SBEB, 2021] are annexed as **"Annexure 7"** and the same are also available on the Company's website at: https://eris.co.in/announcements-notices/

The objects of the Schemes are, inter alia, to provide an incentive to reward and motivate employees and enable them to participate in the long-term financial growth of the Company. The Company has granted stock options to eligible employees. The options will be exercisable into equity shares as per the terms and conditions stipulated in the above plan(s)

The certificate from the Secretarial Auditors of the Company certifying that the Scheme is implemented in accordance with the SEBI SBEB, 2021 and the resolutions passed by the members in this regard shall be available at the 17th Annual General Meeting for inspection by members.

24. CONTRACTS WITH RELATED PARTIES:

The policy on Related Party Transactions as approved by the Board is available on the website of the Company and can be accessed through the web link: https://eris.co.in/corporate-governance/. All contracts/arrangements/transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis.

As required under Section 134(3)(h) of the Act, details of transactions entered with related parties under the Act as per the last audited financial statements are given in Form AOC-2 provided at **"Annexure 8"** to this Report.

25. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE OR SECURITY PROVIDED BY THE COMPANY:

Details of loans, guarantees and investments, etc covered under section 186 of the Companies Act, 2013 appear in the notes to the financial statements.

26. PROTECTION OF WOMEN AT WORKPLACE:

No complaints pursuant to the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been received during the year under review. Further, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. RISK MANAGEMENT:

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company.

The Risk Management Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

28. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM:

The Company provides an avenue to the Directors and Employees of the Company to report without fear any instance of an actual or suspected violation, wrongdoings, or any illegal or unethical, or improper practice which may adversely impact the image and/or the financials of the Company. For this, the Company has in place a Vigil Mechanism Policy (Whistle Blower Policy) for Directors and employees to report genuine concerns.

This provides for adequate safeguards against the victimization of employees and Directors who wish to use the vigil mechanism to bring any wrong deed(s) to the notice of the Company.

During the year under review, the implementation of the vigil mechanism has been properly and regularly monitored by the Audit Committee. However, no complaints or instances in this regard have been reported in the financial year 2022-23. The said policy is available on the Company's Website at https://eris.co.in/corporate-governance/

29. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

- In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the profit of the Company for that period;
- They had taken proper and sufficient 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;
- They had prepared the annual accounts on a going concern basis;
- They had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating efficiently; and
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

30. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company has in place a policy on remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees which appears at **"Annexure 9"** to this report.

The details of parameters adopted for evaluating the performance of Non-Executive Directors appears in the Report on Corporate Governance which forms part of this Annual Report and also available on the Website of the Company at https://eris.co.in/corporate-governance/

31. MANNER IN WHICH FORMAL ANNUAL EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS HAS BEEN CARRIED OUT:

The Board adopted the evaluation performed by the Independent Directors on the Board's performance carried out in accordance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI LODR") Reg. 25(4)(a) which took into account factors like 'ability to create value for its shareholders while ensuring legal compliances' and 'corporate governance norms'. Satisfaction has been recorded about the performance based on the aforesaid criteria. The performance of the Committees was adjudged based on the criteria approved by the Nomination and remuneration committee of the Company. The Board records its satisfaction about the performance of all the committees of the Board. The performance evaluation of Chairperson and Managing Director of the Company has been carried out by the Independent Directors in accordance with SEBI LODR Reg. 25(4)(b) and stands duly adopted by the Board. The performance evaluation of non-independent directors has been carried out by the Independent Directors in accordance with SEBI LODR Reg. 25(4)(a) and it has been likewise adopted by the Board. The remaining members of the Board were evaluated at the Board Meetings based on parameters adopted by the Nomination and Remuneration Committee.

32. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures required pursuant to the provisions of Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and appears at **"Annexure 10"**.

34. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

35. PUBLIC DEPOSITS

The Company has not accepted deposits from the public during the year under review. No deposits were outstanding at the beginning or at the closure of the financial year under review.

36. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters under the Companies Act, 2013, and SEBI Regulations either on account of absence of any transaction or the inapplicability of the provisions:

- Reporting of fraud(s) by the Auditors within the meaning of Section 143(12) of the Companies Act, 2013.
- Disclosure pursuant to section 43(1) read with Rule 4(4) of Companies (Share Capital and Debenture) Rules, 2014 regarding issue of equity shares with differential rights.
- Details of any scheme for providing money for the purchase of shares of the Company by employees for the benefit of employees.

- Issue of shares (including sweat equity shares) to the employees of the Company under any scheme, save and except Employees' Stock Options Plans referred to in this Report.
- Receipt of any commission from the Company or remuneration from any of its subsidiaries by the Managing Director or the Wholetime Directors of the Company as per section 197(14) of the Companies Act, 2013.
- Revision in the financial statements (apart from regrouping adjustments) or directors' report in any of the three preceding financials years.
- Regulation 32 (4) of SEBI LODR Regulations regarding explanation for the variation in the utilisation of money raised by public issue.
- Change in the nature of business as per rule 8(5)(ii) of the Companies Account Rule, 2014.
- Significant or material orders passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.
- Details of an application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review along with their status as at the end of the financial year.
- Details of difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof.

37. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from all the stakeholders during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Amit Bakshi
(DIN: 01250925)
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure 1

Form No. MR- 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members
Eris Lifesciences Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eris Lifesciences 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on 31st March, 2023 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 on 31st March, 2023 and verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent of their applicability to the Company;

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) Regulation, 2015

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021;

   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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:

i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors.

ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: August 07, 2023

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587E000751830

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

Annexure A

To,
The Members
Eris Lifesciences Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: August 07, 2023

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F002587E000751830

Form No. MR-3

SECRETARIAL AUDIT REPORT
For The Financial Year Ended on 31st March, 2023

[Pursuant to Regulation 24A of The Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
ERIS OAKNET HEALTHCARE PRIVATE LIMITED
Art Guild House, Unit GB-01 B-Wing,
Phoenix Market City,
LBS Marg, Kurla
Mumbai 400070

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ERIS OAKNET HEALTHCARE PRIVATE LIMITED** *(previously known as Oaknet Healthcare Private Limited)* (**CIN: U74999MH2011PTC296817**) (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2023** (the **"Audit Period"**), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. **I have examined the books, papers, minute books, forms and returns filed and other records maintained by ERIS OAKNET HEALTHCARE PRIVATE LIMITED (the "Company") for the financial year ended 31st March, 2023 according to the provisions of:**

   (i) The Companies Act, 2013 (the **"Act"**) and the Rules made there under;

   (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

   (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment;

   (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**"SEBI Act"**) to the extent applicable to the Company:

      a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

      b) The Securities Contracts (Regulation) Act, 1956 (**"SCRA"**) and the Rules made there under;

   (v) During the period under review, provisions of the following regulations and guidelines were not applicable to the Company:

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 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Securities and Exchange Board of India (Delisting of Equity shares) (Amendment) Regulations, 2015 and the Securities and Exchange Board of India (Delisting of Equity shares) (Amendment) Regulations, 2016;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) OTHER APPLICABLE ACTS:

a) fiscal, labour and environmental laws which are generally applicable to all companies.

2. **The Company is a private limited company and wholly-owned subsidiary of a listed company.**

3. **Further, I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, and filed and returns as may be applicable, with the Registrar of Companies, Regional Director, Central Government, the Tribunal, Court or other authorities within the prescribed time and wherever applicable with additional fees.

4. **I further report that:**

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

b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and the members consent for convening meetings at a shorter notice wherever required have been duly obtained. Further, there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) All decisions of the Board were unanimous and the same was captured and recorded as part of the minutes.

d) During the period, the Company had obtained the Certificate of Registration of Order confirming the Reduction of Share Capital from the Registrar of Companies, Mumbai on 6th April 2022, thereby reducing the issued, subscribed and paid-up share equity capital of the Company from INR 230,08,21,600/- divided into 23,00,82,160 equity shares of INR 10 each fully paid to INR 184,05,22,590/- divided into 18,40,52,259 equity shares of INR 10/- each and cancelled 4,60,29,901 equity shares of INR 10/- each fully paid up.

The Company Application for Capital Reduction was filed with NCLT, Mumbai in the previous financial year and the NCLT Order was received on 24th March 2022. However, the effective date of capital reduction was 6th April 2022.

As on date of this report, the issued, subscribed and paid-up share capital of the Company is Rs. INR 184,05,22,910/- divided into 18,40,52,259 equity shares of INR 10/- each and 32 compulsorily convertible preference shares of INR 10/- each.

e) During the period, the Company had altered the clauses of its Article of Association & the Memorandum of Association and complied with the applicable provisions of the Companies Act and applicable rules.

f) During the period, the Company had issued and allotted 64,30,000 Unlisted, Unsecured, Compulsorily Convertible Debentures and raised an amount aggregating to Rs. 32,79,32,682/- and complied with the applicable provisions of the Companies Act and applicable rules.

g) During the period, the Company has disposed by way of transfer, the predominant sources of revenues and the connected cost centers to Eris Lifesciences Limited its Holding Company w.e.f 1st April 2023.

h) I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

i) During the year, the Company was acquired by Eris Lifesciences Limited on 12th May 2022. The Company is now a material subsidiary of Eris Lifesciences Limited in terms of Regulation 16(1)(c) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

I further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

This Report is to be read with my letter of even date which is annexed as **"ANNEXURE - A"** and forms an integral part of this Report.

Place: Bangalore
Date: 04th August 2023

Vijayalakshmi K
Membership No.: A 23320
C.P. No.: 12066
UDIN: A023320E000744293

Annexure A

To,
The Members,
ERIS OAKNET HEALTHCARE PRIVATE LIMITED
Art Guild House, Unit GB-01 B-Wing,
Phoenix Market City,
LBS Marg, Kurla
Mumbai 400070

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination is limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore
Date: 04th August 2023

Vijayalakshmi K
Membership No.: A 23320
C.P. No.: 12066
UDIN: A023320E000744293

Annexure 2

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(a) Conservation of energy:

(i) Steps taken for conservation of energy:

- Power consumption monitoring is regularly done at the manufacturing facility, resulting in optimum energy consumption and conservation.
- Use of LED lights and human sensor switches to save electricity has been adopted.
- Regulation in usage of office lighting.
- Regular monitoring of high energy consumption areas and taking appropriate measures as and when required. For instance optimisation of compressed air generation process, thermal insulation of hot water tanks and steam lines, preventive/periodic maintenance of HVAC plants and utility equipment.
- All efforts are made to use more natural lights in the premises to optimise the consumption of energy.
- Reduction in energy consumption for compressed air generation by placing an air reservoir to store and maintain air pressure
- Hot water tanks have been insulated to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals
- Cladding of hot water line has been undertaken to prevent any energy loss

(ii) The steps taken by the company for utilising alternate sources of energy:

- The Company evaluates all possibilities of utilizing alternate sources of energy in its operations, wherever possible.

(iii) The capital investment on energy conservation equipment:

- During the year, the company has not made any capital investment on energy conservation equipment.

(b) Technology absorption:

- Company regularly monitors the technical advancements which can help in reducing cost and make the existing processes more eco-friendly and result in minimization of environmental hazards.
- The benefits derived from these efforts would be product improvement, cost reduction, and sustainable development.
- No technology was imported by the Company during the year under review.
- During the year, the Company has not made any expenditure on research and development related to technology absorption.

(c) Foreign Exchange Earnings and Outgo details are as follows:

(Rs. in million)

Sr. No.	Particulars	2022-23	2021-22
1	Foreign Exchange Earnings	Nil	Nil
2	Foreign Exchange Outgo*	5327	111.43

*Includes Payment Rs. 5248.75 Millions related to investment in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited).

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure 3

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART A - SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in million)

Name of the Subsidiary	Aprica Healthcare Limited (Previously known as UTH Healthcare Limited)	Eris M. J. Biopharm Private Limited (Previously known as Kinedex Healthcare Private Limited)	Eris Therapeutics Limited	Eris Healthcare Private Limited	Eris Pharmaceutical Private Limited	Eris Oaknet Healthcare Private Limited (Previously known as Oaknet Healthcare Private Limited)
The date since when subsidiary was Acquired/ Incorporated	01.10.2017	23.11.2016	23.06.2021	01.12.2017	02.06.2020	12.05.2022
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Share capital	95.12	13.72	2.58	0.10	0.10	1,840.52
Reserves & surplus	467.79	215.85	195.72	(201.90)	(0.28)	(1,156.58)
Total Assets	860.73	438.29	2,523.67	471.53	0.07	5,132.78
Total Liabilities	97.82	208.72	2,325.37	643.33	0.25	4,384.54
Investments	30.02	0	0	30.09	0	0
Turnover	542.01	171.93	5.56	696.42	0	2,268.48
Profit before taxation	29.96	(253.35)	(51.81)	(78.39)	(0.19)	454.81
Provision for taxation	4.78	13.09	0	33.14	0	0
Profit after taxation	25.18	(266.44)	(51.81)	(111.53)	(0.19)	454.81
Proposed Dividend	0	0	0	0	0	0
% of shareholding	100.00	70.00	100.00	100.00	76 by EHPL	100.00

Notes:

1. **Names of subsidiaries which are yet to commence operations: NA**
2. **Names of subsidiaries which have been liquidated or sold during the year: NA**

PART B - ASSOCIATES AND JOINT VENTURES

	Name of Associates or Joint Ventures	There are no associates or joint ventures of the Company during the year
1.	Latest audited Balance Sheet Date	N.A.
2.	Date on which the Associate or Joint Venture was associated or acquired	N.A.
3.	Shares of Associate or Joint Ventures held by the company on the year end a. Numbers b. Amount of Investment in Associates or Joint Venture c. Extent of Holding (in percentage)	N.A.
4.	Description of how there is significant influence	N.A.
5.	Reason why the associate/joint venture is not consolidated	N.A.
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.
7.	Profit or Loss for the year a. Considered in Consolidation b. Not Considered in Consolidation	N.A.

1. **Names of associates or joint ventures which are yet to commence operations: NA**
2. **Names of associates or joint ventures which have been liquidated or sold during the year: NA**

For Eris Lifesciences Limited

Amit Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No-A26493

Date: August 07, 2023
Place: Ahmedabad

Annexure 4

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **BRIEF OF THE COMPANY'S CSR POLICY:**
While the Company continues to expand and grow in its sector of business, it has not lost sight of its commitment to play its role as an enlightened corporate citizen. Corporate Social Responsibility has always been on its agenda. Pursuant to the provisions of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company has framed a CSR Policy which lays down guidelines for the Company to make CSR as one of the key focus areas and contribute to society through high impact, sustainable programmes by undertaking the activities in accordance with Schedule VII of the Companies Act, 2013.

The Company's focus areas under CSR are:

- Preventive Medical Screening
- Education
- Environment
- Rural & Agricultural Development

2. **THE COMPOSITION OF THE CSR COMMITTEE:**
The CSR committee of the Board is responsible, inter alia, for overseeing the execution of the Company's CSR policy.
The composition of the CSR Committee of the Company as on March 31, 2023, was:

Sr. No.	Name of the Director	Designation	Nature of directorship (Executive / Non-executive/ Independent / Non-independent	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Inderjeet Singh Negi	Chairperson	Executive and Non-Independent	1	1
2	Mr. Rajeev Dalal	Member	Non-Executive and Independent	1	1
3	Mr. Kaushal Shah	Member	Executive and Non-Independent	1	1
4	Mr. Sujesh Vasudevan*	Member	Non-Executive and Independent	NA	NA

* Mr. Sujesh Vasudevan was added to the Committee as a Member w.e.f. August 05, 2022.

3. **WEB-LINKS:**
Composition of CSR Committee: https://eris.co.in/wp-content/uploads/2022/08/Composition-of-Committee-1.pdf
CSR Policy and CSR Projects/Programmes: https://eris.co.in/corporate-governance/

4. **DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):** Not Applicable

5. **DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Million)	Amount required to be set off for the financial year, if any (Rs. in Million)
1	2022-23	~129.65 (available for set-off from preceding financial year 2021-22) ~ 0.29 (available for set-off from preceding financial year 2020-21)	The Company has set-off Rs. 52.36 Million from the excess amount available from financial year 2021-22 during the financial year 2022-23.
2	2021-22	~ 0.29 (available for set-off from preceding financial year 2020-21)	The Company has carried forward the excess amount available financial year.
3	2020-21	Not Applicable	Not Applicable
Total		**~129.94**	

Note: The total CSR obligation of the Company for financial year 2022-23 was Rs. 75.83 Million and the Company had spent Rs. 23.47 Million since an excess CSR expenditure amount of Rs. 129.94 Million was available with Company which was spent during the financial year 2021-22 on its CSR activities and out of said excess amount, Rs. 52.36 Million has been set off in financial year 2022-23. Now an excess amount of Rs. 77.58 Million is remaining with the Company to set off against the CSR requirements of succeeding 2 (two) financial years.

6. **AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS (Section 135(5)):**
   Rs. 3791.28 million.

7. **PRESCRIBED CSR EXPENDITURE :**
   Rs. 75.83 million. (2% of Average Net Profit)

   DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

   (a) Total amount to be spent for the financial year: Rs. 75.83 Million

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

   (c) Amount required to be set off for the financial year, if any: Rs. 52.36 Million

   (d) Total CSR obligation for the financial year (a+b-c): Rs. 23.47 Million

8. **CSR amount spent or unspent for the financial year:**

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

Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

Details of CSR amount spent against other than ongoing Projects/ Programmes for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project/ Programme	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project/ Programme.		Amount spent for the Project/ Programme (Rs. in Million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Preventive medical screening at public places, sanitization, and promotion of vaccination	Promoting health care including Preventive health care (Schedule VII(i))	Yes	Pan India		22.39	Yes	-	-
2.	Promoting Education of Underprivileged	Education (Schedule VII(ii))	Yes	Gujarat		1.08	Yes	-	-
	Total					**23.47**			

Amount spent in Administrative Overheads: Not Applicable

Amount spent on Impact Assessment, if applicable: Not Applicable

Total amount spent for the Financial Year: Rs. 23.47 Million

Excess amount for set-off for the Financial Year, if any: Not Applicable

9. **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable
   Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. **In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the financial year**
    No creation or acquisition of capital asset(s) during the current financial year

11. **The reasons for unspent amount:** Not Applicable

For Eris Lifesciences Limited

Amit Bakshi
(DIN: 01250925)
Chairperson & Managing Director

Inderjeet Singh Negi
(DIN: 01255388)
Chairperson, CSR Committee

Date: August 07, 2023
Place: Ahmedabad

Annexure 5

CORPORATE GOVERNANCE REPORT

(Pursuant to provisions of Schedule V of the SEBI (LODR) Regulations, 2015/ "SEBI Listing Regulations")

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Our organization wholeheartedly embraces the immense importance of corporate governance. We recognize the essential role a strong corporate governance structure plays in ensuring the enduring prosperity and sustainability of our Company, as well as the welfare of all those impacted. At all levels of our organization, we give utmost priority to the core principles of openness, responsibility, and ethical conduct. By steadfastly adhering to best practices and fostering transparent lines of communication, we guarantee that our decision-making procedures remain equitable and unbiased.

We proactively involve and take into account the perspectives of all stakeholders, protecting their interests and fostering a climate of confidence. Our commitment to corporate governance goes beyond mere adherence to rules; it is deeply ingrained in our corporate culture and acts as a guiding principle for our daily conduct. We understand that by upholding the most stringent corporate governance standards, we not only improve our own performance but also cultivate robust relationships with our employees, customers, partners, and communities.

2. BOARD OF DIRECTORS:

The Board of Directors holds a central position within an organization, playing a vital role in its achievements. The presence of an ideal blend of executive and independent directors is imperative, as it heightens the board's efficacy, objectivity, and sincerity, thereby directly benefiting the investors. This well-balanced composition of Directors ensures a diverse range of perspectives and prevents biases.

Aligned with our dedication to this principle, our Board of Directors (Board) is composed of a total of 8 Directors, including 3 promoter Executive Directors, 1 Executive Director, and 4 Non-Executive Independent Directors. This composition fully adheres to the relevant provisions outlined in the Companies Act, 2013 ("the Act"), as well as the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board is headed by an Executive Promoter Director.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as of March 31, 2023, have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("Act"). The maximum tenure of Independent Directors is compliant with the requirements of the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

BOARD MEETINGS

The Company places before the Board all the pertinent and essential information at their meetings for the information and approval of the Board. During the year ended March 31, 2023 the Board met 6 (Six) times on May 3, 2022, June 15, 2022, August 5, 2022, October 20, 2022, January 17, 2023, and March 16, 2023.

COMPOSITION OF THE BOARD AND CATEGORY OF DIRECTORS

The Composition of the Board, the category of Directors' and their attendance at the Board Meeting held during the year is as follows.

Directors	Category & Designation	No. of Board meetings attended	Last AGM attendance (Yes/No)	Other Directorship^	No. of Committees in which Chairperson/ member #	
					Chairperson	Member
Mr. Amit Bakshi (DIN: 01250925)	Promoter, Executive, Managing Director and Chairperson	6	Yes	2	0	0
Mr. Inderjeet Singh Negi (DIN: 01255388)	Promoter, Executive and Whole-time Director	6	Yes	2	0	1
Mr. Kaushal Shah (DIN: 01229038)	Promoter, Executive and Whole-time Director	6	Yes	4	0	0
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Executive and Whole-time Director	6	Yes	2	0	1
Mr. Sujesh Vasudevan (DIN: 08240092)	Non-Executive and Independent Director	4	Yes	0	0	1
Mr. Prashant Gupta (DIN:08122641)	Non-Executive and Independent Director	4	Yes	0	0	1
Mr. Rajeev Dalal (DIN: 00222650)	Non-Executive and Independent Director	6	Yes	4	2	0
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	6	Yes	2	0	4
Mrs. Vijaya Sampath* (DIN: 00641110)	Non-Executive and Independent Director	2	NA	10	1	6

* Mrs. Vijaya Sampath, an Independent Director has resigned from the Board of the Company with effect from July 19, 2022

^ The above list of 'other Directorships' is based on a declaration received from the respective Directors and does not include Directorship in this Company.

\# The Committee (Audit and Stakeholders' Relationship Committee only) Memberships and Chairmanship in Companies include all public companies (including this Company) and does not include private limited, foreign and Section 8 Companies.

During the financial year under review, the Board of Directors underwent two notable changes.

Firstly, on July 19, 2022, Ms. Vijaya Sampath tendered her resignation on account of promoting greater diversity in the Board's composition in terms of experience, skills, and domain knowledge along with a confirmation that there are no other material reasons other than those mentioned in the resignation letter.

Secondly, on July 25, 2022, Mr. Sujesh Vasudevan was appointed as an additional Independent Director through the passing of a circular resolution to hold the office till the conclusion of next Annual General Meeting of the Company and was then regularised as an Independent Director for a term of 5 years by the members in the 16th Annual General Meeting held on September 01, 2022.

DIRECTORSHIP IN LISTED COMPANIES OTHER THAN ERIS LIFESCIENCES LIMITED

Name of Directors	Category & Designation	Name of Listed Company
Mr. Amit Indubhushan Bakshi (DIN: 01250925)	N.A	N.A
Mr. Inderjeet Singh Negi (DIN: 01255388)	N.A	N.A
Mr. Kaushal Shah (DIN: 01229038)	N.A	N.A
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	N.A	N.A
Mr. Prashant Gupta (DIN:08122641)	N.A	N.A
Mr. Sujesh Vasudevan (DIN: 08240092)	N.A	N.A
Mr. Rajeev Dalal (DIN: 00222650)	N.A	N.A
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	Avenue Supermarts Limited

All the information required to be furnished to the Board was made available to them along with detailed agenda notes. Information is also provided to the Board of Directors as and when required to make informed and timely decisions for the Company.

None of the Directors are related to each other in any way.

As on March 31, 2023, the details of Equity Shares held by Non-Executive Directors are as under: None of the Non-Executive Directors possessed any shares of the Company on March 31, 2023.

The familiarisation programmes imparted to Independent Directors are available on https://eris.co.in/corporate-governance/

The Board, in their meeting, assessed the veracity of the declaration given by the Independent Directors and confirmed that the Independent Directors comply with the provisions regarding independence specified in the SEBI LODR regulations and are Independent of the Management of the Company.

The Board of Directors identifies and approves the following core skills/expertise/competencies required by the Board of Directors for the effective functioning of the business and sector in which the Company operates:

- Pharmaceutical Industry expertise;
- Financial expertise;
- Legal expertise;
- Out of Industry perspective;
- Familiarity with Company history gained through long employment;
- Marketing of brands in the Pharma market.

The Directors of the Company possess the aforementioned core skills/expertise/competencies.

Name of Director	Pharmaceutical Industry expertise	Financial expertise	Legal expertise	Out of Industry perspective	Familiarity with Company history gained through long employment	Marketing of brands in Pharma market
Mr. Amit Indubhushan Bakshi (DIN: 01250925)	Y	Y	-	-	Y	Y
Mr. Inderjeet Singh Negi (DIN: 01255388)	Y	Y	-	-	Y	Y
Mr. Kaushal Shah (DIN: 01229038)	Y	Y	-	-	Y	Y
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Y	Y	-	Y	Y	-
Mr. Sujesh Vasudevan (DIN: 08240092)	Y	Y	-	Y	-	Y
Mr. Prashant Gupta (DIN:08122641)	-	Y	Y	Y	-	-
Mr. Rajeev Dalal (DIN: 00222650)	Y	Y	-	Y	-	-
Ms. Kalpana Unadkat (DIN: 02490816)	-	Y	Y	Y	-	-

3. AUDIT COMMITTEE:

The composition of the Audit Committee is in compliance with the requirements of Section 177(2) of the Act and Regulation 18 of the Listing Regulations, as on March 31,2023 comprising of 4 (four) members out of which 1 (one) being Executive Director and 3 (three) Non-Executive Independent Directors.

During the year under review, the Audit Committee duly met 5 (Five) times on May 3, 2022, June 15, 2022, August 5, 2022, October 20, 2022, and January 17, 2023. The gap between any two successive Audit Committee meetings did not exceed one hundred and twenty days.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mr. Rajeev Dalal**	Chairperson Non-Executive Independent Director	3
2	Ms. Kalpana Unadkat	Member Non-Executive Independent Director	5
3	Mr. Prashant Gupta	Member Non-Executive Independent Director	4
4	Mr. Krishnakumar Vaidyanathan	Member Executive Director	5
5	Mrs. Vijaya Sampath*	Chairperson Non-Executive Independent Director	2

* Mrs. Vijaya Sampath, an Independent Director has resigned from the Board and Audit Committee of the Company with effect from July 19, 2022.

** Mr. Rajeev Dalal, an Independent Director was appointed as Member w.e.f. July 23, 2022 and appointed as Chairperson w.e.f. August 05, 2022, of the Audit Committee.

All recommendations made by the Audit Committee during the year under review have been accepted by the Board of Directors.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Audit Committee is responsible for the discharge of its statutory role as per framework provided under the Act and the applicable SEBI rules and regulations. It covers, inter alia, the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors (including chief internal auditor of the Company and external auditors) and the fixation of the audit fee;
3. Approval of payment to statutory auditors or external auditors for any other services rendered by them;
4. Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies);
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements and auditor's report thereon before submission to the Board for approval;
6. 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 utilized 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 and monitoring the statutory auditor's and Internal Auditors independence and performance and discuss the same with the management and review effectiveness and adequacy of audit process and review Internal audit reports relating to internal control weaknesses;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed and mandatorily review Statement of significant related party transactions;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. 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;
13. Reviewing compliance with internal and statutory audit reports and examine reasons for substantial defaults and delays in implementing audit recommendations;
14. 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;
15. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of Non-payment of declared dividends) and creditors;
16. Reviewing the functioning of the whistle blower mechanism;
17. Review of statutory compliances and legal cases;
18. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
19. Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.
20. Mandatorily review Management discussion and analysis of financial condition and results of operations;
21. Management letter / letters of internal control weaknesses issued by the statutory auditors;
22. Statement of deviations in terms of the SEBI Listing Regulations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
    b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholders Relationship Committee is in compliance with the requirements of Section 178(5) of the Act and Regulation 20 of the Listing Regulations, as on March 31, 2023, comprising of 4 (Four) members out of which 1 (one) being the Executive Director and 3 (three) Non-Executive Independent Directors.

The Chairperson of the Stakeholders Relationship Committee is Mr. Rajeev Dalal, Non-Executive Independent Director.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1.	Mr. Rajeev Dalal	Chairperson Non-Executive Independent Director	1
2.	Ms. Kalpana Unadkat	Member Non-Executive Independent Director	1
3.	Mr. Sujesh Vasudevan *	Member Non-Executive Independent Director	1
4.	Mr. Inderjeet Singh Negi	Member Executive Director	1

* Mr. Sujesh Vasudevan, an Independent Director, appointed as a member in the Committee w.e.f. August 05, 2022 of Stakeholders Relationship Committee.

The committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review, the Stakeholders Relationship Committee duly met 1 (one) time on January 17, 2023.

Mr. Milind Talegaonkar, Company Secretary of the Company acts as the Secretary and Compliance Officer to the meetings of the Committee.

Number of Shareholder Complaints Received, Solved and Pending during the year:

No. of Complaints Received	No. of Complaint Solved to the satisfaction of shareholders	No. of Complaint not solved to the satisfaction of shareholders	No. of Complaints Pending
1	1	0	0

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE STAKEHOLDERS RELATIONSHIP COMMITTEE

1. Considering and resolving grievances of shareholders', debenture holders, and other security holders;
2. Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, Non-receipt of declared dividends, annual reports, balance sheets of the Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures, or any other securities;
4. To consider and approve, any and all requests of the Security(ies) holders of the Company, for re-materialisation or de-materialisation of the Securities;
5. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

5. NOMINATION AND REMUNERATION COMMITTEE:

The composition of the Nomination and Remuneration Committee is in compliance with the requirements of Section 178(1) of the Act and Regulation 19 of the Listing Regulations as on March 31, 2023, comprising of 3 (Three) Non-Executive Independent Directors of the Company.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of meetings attended
1	Mr. Prashant Gupta	Member Non-Executive Independent Director	1
2	Mr. Rajeev Dalal	Member Non-Executive Independent Director	1
3	Mrs. Vijaya Sampath #	Chairperson Non-Executive Independent Director	1
4	Ms. Kalpana Unadkat *	Chairperson Non-Executive Independent Director	NA

#Mrs. Vijaya Sampath, an Independent Director has resigned from the Board and Nomination and Remuneration Committee of the Company with effect from July 19, 2022.

*Ms. Kalpana Unadkat, an Independent Director appointed as Member on July 22, 2022 and appointed as Chairperson on August 05, 2022, of the Nomination and Remuneration Committee.

The Committee carries out functions enumerated in the SEBI Listing Regulations. During the year under review the Nomination and Remuneration Committee duly met only once on May 31, 2022.

The Nomination and Remuneration Committee, in its meeting held on 29th January, 2019, has adopted the following parameters to evaluate the performance of Independent Directors:

- Attendance at meetings of the Board and Committees thereof,
- Extent of participation through discussions in the Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Inputs received while making risk assessments and suggestions on risk mitigation,
- Inputs received during the review of financial statements, business performance,
- Overall contribution to the enhancement of brand image of the Company,
- Performance of the Directors,
- Fulfilment of the independence criteria as specified in applicable regulation of SEBI LODR Regulations, 2015 and their independence from the management

Managing Director and the Whole-time Director(s) and other Executive Director(s):

- appropriate benchmarks set as per industry standards,
- the performance of the role occupant.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
- To administer and superintend the ESOP scheme of the Company.

6. CSR COMMITTEE

As on March 31, 2023 the CSR Committee comprises of 4 (Four) members out of which 2 (Two) are Executive Directors and 2 (Two) are Non-Executive Independent Director of the Company. The CSR Committee carries out functions enumerated in the Act. During the Year CSR Committee has conducted only one meeting on June 15, 2022.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of Meeting Attended
1	Mr. Inderjeet Singh Negi	Chairperson Executive Director	1
2	Mr. Kaushal Shah	Member Executive Director	1
3	Mr. Sujesh Vasudevan*	Member Non-Executive Independent Director	-
4	Mr. Rajeev Dalal	Member Non-Executive Independent Director	1

*Mr. Sujesh Vasudevan, an Independent Director appointed in the Committee as a Member w.e.f. August 05, 2022.

The Company has spent Rs. 23.47 Million on CSR activities during the financial year under review.

The terms of reference of the CSR Committee, inter alia, includes the following:

- Recommending the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013 for every financial year; and
- Monitoring the Corporate Social Responsibility Policy of your Company from time to time and recommending to the Board, any amendments in Corporate Social Responsibility Policy indicating activities that can be undertaken by the Company as specified in Schedule VII to the Companies Act 2013.

7. EXECUTIVE COMMITTEE MEETING

As on March 31, 2023 the Executive Committee comprises of 4 (four) members, all being Executive Directors. During the Year Company has conducted ten Meetings on April 14, 2022, April 26, 2022, May 18, 2022, June 21, 2022, September 8, 2022, October 17, 2022, January 17, 2023, February 13, 2023, March 1, 2023, and March 16, 2023.

The Composition as on March 31, 2023, of the Executive Committee are as follows:

Sr. No.	Name of the Director (and designation in relation to membership of the committee)	Executive / Non-Executive	Independent / Non-Independent	No. of Meeting Attended
1	Mr. Amit Indubhushan Bakshi	Chairperson Executive	Non-Independent	10
2	Mr. Inderjeet Singh Negi	Member Executive	Non-Independent	10
3	Mr. Kaushal Shah	Member Executive	Non-Independent	10
4	Mr. Krishnakumar Vaidyanathan	Member Executive	Non-Independent	9

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE, INTER ALIA INCLUDES:

- Deal with the day-to-day activities of the Company business including all operational matters affecting it;
- Develop and implement the adopted business plans, policies, guidelines, strategies, procedures, budgets and operational plans;

- Monitor and manage the operating and financial performance of the Company;
- Optimise, prioritise and allocate investment and resources;
- Manage and develop talent and undertake succession planning;
- Manage the risk profile of the Company;
- Give or make available to the Board such information, reports and other documents to enable it to carry out its duties.
- Be responsible for the identification, management, and mitigation of risk(s) across the Company's business;
- Manage the internal controls environment;
- Be responsible and accountable for the integrity of management information and financial reporting systems;
- Review the legal structure and propose recommendations for its improvement to the Board based thereon; and
- Borrow monies in terms of Section 179(3)(d) of the Act read with the first proviso thereto not exceeding an amount of INR 1000 crores (Rupees One Thousand Crores only) in the aggregate
- Invest the funds of the Company in terms of Section 179(3)(e) of the Act read with the first proviso thereto within the aforesaid overall limit of INR 1000 crores (Rupees One Thousand Crores only).
- Grant loans or give guarantee or provide security in respect of loans in terms of Section 179(3)(f) read with the first proviso thereto within the limits available to the Board from time to time.
- All actions and decisions ancillary, incidental, or connected to the above unless those are ultra-vires the Company or fall within the terms of reference of any other committee of the Board or is only exercisable by the general body, or is specifically required by the prevailing Company Laws to be exercisable only by the Board without permitting any committee delegation thereof.

8. RISK MANAGEMENT COMMITTEE:

As on March 31, 2023 the Risk Management Committee comprises of 5 (five) members out of which 3 (three) are Executive Directors, 1 (one) is Non-Executive Independent Director, and 1 (one) is Chief Financial Officer of the Company. The committee carries out functions enumerated in the Act.

During the Year Company has conducted 2 (two) Meetings on July 05, 2022 and December 23, 2022.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	No. of Meeting Attended
1	Mr. Krishnakumar Vaidyanathan	Chairperson Executive Director	2
2	Mr. Amit Bakshi	Member Executive Director	0
3	Mr. Sachin Shah	Member Chief Financial Officer	2
4	Mr. Kaushal Shah	Member Executive Director	0
5	Mr. Kalpana Unadkat	Member Non-Executive Independent Director	2

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, for the following:

- To formulate a detailed risk management policy in conformity with the requirements of the LODR regulations as amended from time to time.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. For instance, validating the process of Risk Management, the procedure for Risk Minimization, Cyber Security risk management and mitigation;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems. This would include the activity of continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- To periodically review the risk management policy, at least once in two years (or such other frequency stipulated by law from time to time), including by considering the changing industry dynamics and evolving complexity;
- To keep the board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee
- To coordinate its activities with other committees, in instances where there is an overlap with activities of such committees, as per the framework laid down by the board of Directors.
- To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

9. INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, separate meeting of Independent Directors was held on March 16, 2023, without the participation of Non-Independent Directors and members of the management.

The Independent Directors discussed on various aspects, viz. performance of non-independent directors and the Board as a whole, performance of the Chairperson of the Company, quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. REMUNERATION OF THE DIRECTORS

a. Transactions with the non-executive directors: The Company does not have a material pecuniary relationship or transactions with its non-executive directors except those were held by the Company in its ordinary course of business and on arms-length basis. The Company has paid sitting fees to non-executive directors for attending the meetings of the Board / Committees / sub-committees. Further, the Company has paid commission to non-executive directors.

b. Criteria for making payments to non-executive directors are available on the Company's website: https://eris.co.in/corporate-governance/

c. Disclosures with respect to remuneration: In addition to the disclosures required under the Companies Act, 2013, as given in the annual return, the disclosure regarding remuneration are as follows:

1. Details of fixed component and performance linked incentives, along with the performance criteria:

(Amount in Rupees)

Sr. No	Particulars	Mr. Amit Bakshi Managing Director	Mr. Kaushal Shah Whole-time Director	Mr. Inderjeet Singh Negi Whole-time Director	Mr. Krishnakumar Vaidyanathan Whole-time Director
1	Basic Salary	1,74,99,996	26,25,000	45,50,004	1,35,00,000
2	Fixed components	1,12,76,652	43,67,136	78,49,540	3,13,52,052
3	Variable components	2,00,00,000	-	-	-
	Total	4,87,76,648	69,92,136	1,23,99,544	4,48,52,052

Non-Executive Directors:

During the year under review sitting fees and commission were paid to the non-executive directors including independent directors of the Company which are as under;

(Amount in Rupees)

Name of Director	Amount of commission paid	Amount of sitting fees paid
Mrs. Vijaya Sampath*	9,03,226	3,75,000
Mr. Prashant Gupta	33,00,000	6,75,000
Mr. Rajeev Dalal	33,00,000	9,00,000
Ms. Kalpana Unadkat	35,50,000	9,75,000
Mr. Sujesh Vasudevan **	24,42,463	3,75,000

* Mrs. Vijaya Sampath, an Independent Director has resigned from the Board of the Company with effect from July 19, 2022

** Mr. Sujesh Vasudevan, an Independent Director has joined the Board of the Company with effect from July 25, 2022

2. Performance criteria includes the growth, consolidation, Position of the Company in the Indian Pharmaceutical Market (IPM), Compliance Record, comparison with the peer group as assessed/ adjudged along with other criteria as decided by the Board / Committee from time to time.

3. There are no separate service agreements executed by the Company and its Directors.

However, the Company has executed the following agreements:

- Managing Director Employment Agreement with Mr. Amit Bakshi,
- Employment Agreement with Mr. Kaushal Shah, Mr. Inderjeet Singh Negi and Mr. Krishnakumar Vaidyanathan

The non-executive/Independent Directors are entitled to commission and sitting fees in respect of the meetings of the Board and its committee/ sub-committees attended by them and they are also entitled to reimbursement of all expenses for participation in the Board and other meetings in accordance with the Letter of Appointment issued to them.

Apart from the above agreements and letters of appointments, there are no service agreements/severance fees executed / paid by the Company to the Directors. For all the above mentioned agreements notice period is/ would be 120 days. Non-Executive Directors may resign from his/her position at any time after serving a reasonable written notice to the Board.

4. Except 75,797 options granted to Mr. Krishnakumar Vaidyanathan, Executive Director and Chief Operating Officer, under ESOP Plan 2021 of the Company, no ESOPs have been granted to any other Director of the Company during the financial year under review.

11. GENERAL BODY MEETINGS:

The date and time of annual general meetings held during last three years and the special resolution(s) passed there at, are as follows:

Meeting No.	Financial Year	Date and Time	Venue	Special Resolution passed
14th	2019-20	Tuesday, September 29, 2020 At 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") Deemed venue was the Registered office of the Company located at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015	Appointment of Mr. Kaushal Kamlesh Shah as a Whole-time Director of the Company
15th	2020-21	Wednesday, September 01, 2021 At 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") The Deemed venue was the Registered office of the Company located at 8th Floor, Commerce House- IV, Prahladnagar, 100 ft road Ahmedabad GJ 380015	• Re-appointment of Mrs. Vijaya Sampath as an Independent Director of the Company • Re-appointment of Mr. Amit Bakshi as the Managing Director of the Company • Appointment of Mr. Krishnakumar Vaidyanathan as the Whole-Time Director of the Company • Re-appointment of Mr. Inderjeet Singh Negi as the Whole-Time Director of the Company • Approval of Eris Lifesciences Employees Stock Option Plan, 2021 (ESOP-2021)
16th	2021-22	Thursday, September 01, 2022 At 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") The Deemed venue was the Registered office of the Company located at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054	• Re-appointment of Mr. Prashant Gupta as an Independent Director of the Company. • Appointment Mr. Sujesh Vasudevan as an Independent Director of the Company.

The Company neither passed any resolution through postal ballot during the year under review nor any special resolution is proposed to be conducted through postal ballot.

12. MEANS OF COMMUNICATION:

Quarterly / Annual Results: The quarterly / half-yearly / annual financial results as required under Regulation 33 of the Listing Regulations have been intimated to the Stock Exchanges and published in the newspaper- 'The Financial Express' (English & Gujarati editions). Further, the said are also available at the website of the Company i.e. https://eris.co.in/financials/

News releases, presentations and others: Official news releases and official media releases are sent to Stock Exchanges and are put on the Company's website.

Information on the website of the Company: The Company is in compliance of Regulation 46 of the Listing Regulations. On the website of the Company (https://eris.co.in/), a separate section under 'Investors' tab has been created, where Company disseminates information and various announcements made by the Company are available.

Presentations to institutional investors / analysts: The transcript of the conference calls for Results, presentations made to institutional investors and financial analysts are intimated to the Stock Exchanges and are put on the Company's website i.e. https://eris.co.in/financials/.

13. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Day, Date, Time and Venue	Day : Monday Date: 25th September, 2023 Time: 11:00 a.m. Venue: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(ii)	Financial Year	1st April, 2022 to 31st March, 2023
(iii)	Dividend Payment Date	Not Applicable
(iv)	ISIN No. for ordinary shares of the Company in Demat form	INE406M01024
(v)	Registered Office	Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(vi)	Registrar and Transfer Agent	Link Intime India Pvt. Ltd. C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083
(vii)	Investor Correspondence	Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
(viii)	Plant Location	Plot no. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India
(ix)	Any Website where it displays official releases	http://www.eris.co.in
(x)	Any presentation made to the institutional investor and analyst	Displayed on website of the Company.
(xi)	Is half yearly report sent to the shareholders	No
(xii)	Whether Management Discussion and Analysis is a part of this report	The said report is part of the Annual Report.
(xiii)	Share Transfer System	The work of physical share transfer is presently handled by Registrar and Transfer Agent. The work of electronic transfer of shares is done through the depositories.

(xv)	Auditors for the FY 2022-23 and Proposed Auditors for the FY 2023 – 2024	M/s Deloitte Haskins & Sells LLP
(xvi)	Compliance Officer	Mr. Milind Talegaonkar
(xvii)	Company Secretary	Mr. Milind Talegaonkar
(xviii)	Whether securities are suspended from trading	No

Listing on Stock Exchange(s):

Sr. No.	Name of Stock Exchange	Address of Stock Exchange	Stock Code
1	BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	540596
2	National Stock Exchange of India Limited	Exchange Plaza Bandra Kurla Complex Bandra (E)Mumbai-400051	ERIS

Note: Annual Listing fees for the Financial Year 2022-23 has been duly paid to the stock exchanges.

Market price data of the Company:

	BSE Limited		National Stock Exchange of India Limited	
Month	Month's High Price	Month's low Price	Month's High Price	Month's low Price
Apr-22	744.70	658.25	745.20	658.25
May-22	725.55	651.75	724.00	650.85
Jun-22	677.80	600.50	679.35	600.30
Jul-22	714.00	628.50	692.00	634.55
Aug-22	733.00	662.15	721.50	663.05
Sep-22	722.75	670.85	722.00	674.00
Oct-22	749.85	693.95	749.80	695.55
Nov-22	744.55	661.00	744.50	661.00
Dec-22	697.90	635.70	687.30	636.35
Jan-23	674.30	606.35	672.00	605.75
Feb-23	689.85	602.80	659.85	602.50
Mar-23	647.55	550.90	640.10	551.30

Performance of the Share price of the Company in comparison to the BSE SENSEX and NSE NIFTY

DISTRIBUTION OF SHAREHOLDINGS AND SHARE HOLDING PATTERN

Distribution schedule: (As on March 31, 2023):

Distribution of Shares	No of Share Holders	Percentage to Total No. of Shareholders	No of Shares Held	Percentage to Total Share Capital
1 – 500	45,468	97.9850	16,10,647	1.1844
501 – 1000	482	1.0387	3,57,520	0.2629
1001 – 2000	170	0.3664	2,39,573	0.1762
2001 – 3000	51	0.1099	1,31,655	0.0968
3001 – 4000	34	0.0733	1,18,744	0.0873
4001 – 5000	25	0.0539	1,15,528	0.0850
5001 – 10000	42	0.0905	3,14,868	0.2315
Above 10001	131	0.2823	13,31,03,703	97.8760
Grand Total	**46,403**	**100.00**	**13,59,92,238**	**100.00**

Shareholding Pattern:

CATEGORY WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2023:

Sr. No.	Category	No. of Shares Held	% of Holding
1	**Promoter & Promoter Group**		
	Indian	7,18,83,644	52.8587%
	Foreign	0	0
2	**Public**		
	Institutions	3,38,38,077	24.8824%
	Central Government/ State Government(s)/President of India	0	0
	Non-Institutions	3,02,70,517	22.2589%
3	**Non Promoter – Non Public**		
	Custodian/DR Holder	0	0
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0
Total (1+2+3)		**13,59,92,238**	**100%**

14. DEMATERIALIZATION OF SHARES AND LIQUIDITY.

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). All the shares except 5 Equity shares of the Company have been dematerialised by investors as on March 31, 2023. All shares of the Company except Lock-in shares are liquid and actively traded in normal volume on BSE Limited and National Stock Exchange of India Limited.

15. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

16. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The risk of exchange rate volatility is mitigated by splitting and spreading the foreign exchange payments between the date of issue of import orders and the final payment against receipt of supplies. The Company has obtained the necessary authorisations for covering the foreign exchange exposure. The decision to avail hedging is taken on a case to case basis.

17. CREDIT RATING:

During the year under review, no credit rating was required by the Company.

18. OTHER DISCLOSURES:

(a) Materially significant related party transactions:

There were no materially significant related party transactions during the year under review that may have potential conflict with the interests of the Company at large.

(b) Details of Noncompliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during the last three years:

During the period under review, the Company had not received any notice regarding Non-compliance of the provisions of applicable laws to the Company which are material in nature.

(c) Whistle Blower Policy/Vigil Mechanism:

In accordance with the requirements of the Act, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place the Whistle Blower Policy approved by the Board of Directors. The Company affirms that no personnel has been denied access to the Audit Committee. The said policy has been uploaded on the website of the Company i.e. https://eris.co.in/corporate-governance/

(d) Compliance with mandatory requirements and adoption of Non-mandatory requirements:

The Company has complied with all mandatory requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, at present, the Company has not adopted the Non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for Reporting of Internal Auditor to the Audit Committee.

(e) Web link where policy for determining 'material' subsidiaries is available:

The Company has in place the Policy for determining Material subsidiaries and the said policy has been uploaded on the website of the Company i.e. https://eris.co.in/corporate-governance/.

(f) Web link where policy on dealing with related party transactions is available:

The Company has in place the policy on dealing with related party transactions and the said policy has been uploaded on the website of the Company i.e. https://eris.co.in/corporate-governance/.

(g) Commodity Price Risk and Hedging Activities:

The Company purchases Active Pharmaceutical Ingredient (API) and other materials that are used in the manufacturing of drugs. The prices of raw materials generally fluctuate in line with commodity cycles over a short period of time.

Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also has a Risk Management framework to proactively mitigate the impact through measures like cost based price increases, cost reduction measures, portfolio rationalisation, renegotiating procurement contracts etc. Additionally, the Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification.

Most of these materials are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company does not use any derivative contracts to hedge exposure to fluctuations in commodity prices.

(h) Details of the utilization of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32 (7A):

During the financial year under review, the Company has not raised any funds through preferential allotment or Qualified Institutions Placement.

(i) The Company has received a certificate from Mr. Ravi Kapoor, Practising Company Secretary, confirming that None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations. Copy of the said certificate appears at "**Annexure A**" to this report.

(j) There were no instances where the Board of Directors had not accepted any of the recommendation(s) given by any Committee(s) of the Board during the financial year under review.

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is Rs. 15.03 million.

(l) Disclosure required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints outstanding at the beginning of the financial year: Nil

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on the end of the financial year: Nil

(m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

Please refer to the section on Financial Statement of this Annual Report and Related Party Disclosures made by the Company under Regulation 23 of SEBI (LODR) Regulations, 2015.

(n) Details of material subsidiaries of the Company:

Name of Material Subsidiary	Date and Place of Incorporation	Details of Statutory Auditors
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	Date of Incorporation: August 08, 2011 Place of Incorporation: Bangalore, Karnataka	Name of Statutory Auditors: Deloitte Haskins & Sells LLP Date of Appointment: September 30, 2022.

There is no Non-compliance with any requirement of the Corporate Governance Report of sub-para (2) to (10) of Schedule V read with Regulation 34(3) of SEBI LODR Regulations.

19. UNCLAIMED SHARES LYING IN DEMAT SUSPENSE ACCOUNT:

The balance in the Demat suspense account or unclaimed suspense account is NIL.

20. DETAILS OF NON-COMPLIANCE

No Penalties have been imposed by any stock exchanges and SEBI which are material in nature, nor has there been any instance of Non-compliance with any legal requirements of the corporate governance report other than those mentioned Secretarial Audit Report issued by the Secretarial Auditor of the Company.

21. DISCLOSURE OF COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS:

The Company has complied with the corporate governance requirement as specified in the regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR Regulations.

22. MANAGING DIRECTOR /CFO CERTIFICATION:

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI LODR Regulations. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial

results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI LODR Regulations. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer appears at "**Annexure B**" to this report.

23. CODE OF CONDUCT:

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The code is a comprehensive code applicable to all Directors, Executive as well as Non – Executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them.

The Code has been uploaded on the website of the Company.

24. DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for the Board of Directors and Senior Management Personnel in respect of the financial year 2022-23.

I, Amit Bakshi, Chairman & Managing Director of Eris Lifesciences Limited, declare that the Company has obtained affirmation from all the members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the financial year 2022-23.

Place: Ahmedabad
Date: August 07, 2023

Amit Bakshi
Chairperson & Managing Director
DIN: 01250925

25. COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARY

A Certificate from the Practicing Company Secretary regarding the compliance of conditions of corporate governance, as stipulated under Regulation 34 of the SEBI Regulations appears at "**Annexure C**" to this report.

Annexure A to the Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
ERIS LIFESCIENCES LIMITED
Shivarth Ambit, Plot No 142/2, Ramdas Road,
Off SBR Near Swati Bungalows, Bodakdev,
Ahmedabad – 380 054.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Eris Lifesciences Limited** having CIN **L24232GJ2007PLC049867** and having registered office at Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev Ahmedabad – 380 054 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Rajeev Dalal	00222650	19/12/2020
2	Sujesh Vasudevan	08240092	25/07/2022
3	Kaushal Kamlesh Shah	01229038	04/08/2020
4	Amit Indubhushan Bakshi	01250925	27/01/2007
5	Inderjeet Singh Negi	01255388	25/01/2007
6	Prashant Gupta	08122641	30/04/2018
7	Kalpana Vasantrai Unadkat	02490816	05/01/2021
8	Krishnakumar Vaidyanathan	08976508	20/12/2020

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated above for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 12.06.2023
Place: Ahmedabad

Ravi Kapoor & Associates

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
COP No.: 2407
UDIN: F002587E000479690

Annexure B to the Corporate Governance Report

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI LODR, 2015

To,
The Board of Directors.
Eris Lifesciences Limited

We, Amit Bakshi, DIN: 01250925, Chairperson & Managing Director and Sachin Shah, Chief Financial Officer of Eris Lifesciences Limited ("Company") to the best of our knowledge and belief certify that:

A. We have reviewed standalone as well as consolidated financial statements and the cash flow statement of the Company for the quarter/year ended March 31, 2023 and to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

   (1) There has not been any significant changes in internal control over financial reporting during the year;

   (2) There has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) There has not been any 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: Ahmedabad	Amit Bakshi	Sachin Shah
Date: August 07, 2023	Chairperson & Managing Director	Chief Financial Officer

Annexure C to the Corporate Governance Report

Compliance Certificate

To,
The Members of
Eris Lifesciences Limited
Shivarth Ambit, Plot No 142/2, Ramdas Road,
Off SBR, Near Swati Bungalows, Bodakdev,
Ahmedabad - 380 054

We have examined the Compliance with the conditions of Corporate Governance by **Eris Lifesciences Limited** for the year ended on 31st March, 2023 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2022 to 31st March, 2023. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

We further 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.

Date: 12.06.2023
Place: Ahmedabad

Ravi Kapoor & Associates

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
COP No.: 2407
UDIN: F002587E000479679

Annexure 6

ERIS LIFESCIENCES LIMITED

Registered Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054

Email: complianceofficer@erislifesciences.com Website: www.eris.co.in
Tel: +91 79 6966 1000 Fax: +91 79 6966 1155
CIN: L24232GJ2007PLC049867

DISCLOSURES WITH RESPECT TO EMPLOYEES' STOCK OPTION PLAN, 2017 OF THE COMPANY PURSUANT TO RULE 12 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, REGULATION 14 AND PART F OF SCHEDULE I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by the ICAI or any other relevant accounting standards as prescribed from time to time:

Members may refer to the audited financial statements prepared as per IND AS for the year 2022-2023.

B. Diluted Earnings Per Share (EPS) pursuant to the issue of shares on exercise of options calculated in accordance with Ind-AS 33:

Diluted EPS for the year ended March 31, 2023 is Rs. 29.23 calculated in accordance with IND AS 33

C. Details related to Employees' Stock Option Plan, 2017 ("ESOP 2017")

Sr. No.	Description	Details
1	Date of Shareholders' Approval	3rd February, 2017 29th September, 2017 (Ratified)
2	Total Number of Options approved under ESOPs	3,91,599 equity shares
3	Vesting requirements	Options granted under ESOP 2017 would vest not earlier than 1 (One) year and not later than 5 (Five) years from the date of Grant of such Options. The Option would vest on completion of vesting period and the vesting of options would be subject to continued employment/service with the Company. The Nomination and Remuneration Committee of the Company/Compensation Committee may specify certain performance parameters subject to which the Options would vest. The Options would vest in a Director only if he continues to remain a Director of the Company on the date of the Vesting of Options. Vesting of Options in case of Employees on long leave: The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Board.

4	Exercise Price	The Exercise Price per Option shall be such price as may be determined by the Nomination and Remuneration Committee of the Company/ Compensation Committee being not less than the face value of an equity share of the Company as on the date of grant of Option. The Exercise price of options (as of the date of grant of options) was determined as Rs. 451.04.
5	Pricing Formula	Discount to fair market value of the Equity Shares as on the date of grant.
6	Maximum term of option granted	The options would vest over a maximum period of 5 years from the date of grant of Options.
7	Sources of Shares	Primary
8	Variation in terms of options	Nil
9	Method used to account for ESOPs	Black Scholes Option Pricing Model.
10	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed	NA
11	Option movement during the year as on March 31, 2022	
	a. Number of options outstanding at the beginning of the period	1,07,536
	b. Number of options granted during the year	Nil
	c. Number of options forfeited/ lapsed during the year	0
	d. Number of option vested during the year	53,710
	e. Number of options exercised during the year	60,520
	f. Number of shares arising as a result of exercise of options	60,520
	g. Money realised by exercise of options (INR), if scheme is implemented directly by the Company	2,72,96,940
	h. Loan repaid by the trust during the year from exercise price received	NA
	i. Number of options outstanding at the end of the year	47,016
	j. Number of options exercisable at the end of the year	47,016

12	Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise prices: Rs. 451.04 Weighted average fair values: Rs 268.77
13	Employee- wise details of options granted during the year to:	NA
	i. Senior Managerial Personnel and / or Key Managerial Personnel	
	ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	
	iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	

14. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model:

Sr. No	Particular	2022-23
i	weighted average risk free interest rate	6.91%
ii	weighted average expected option life (in Years)	5.50
iii	weighted average expected volatility	20.56%
iv	weighted average expected dividend yield	1.00%
v	weighted average share price	601.38
vi	weighted average exercise price (rounded to nearest decimal)	451.04

b. The method used and the assumptions made to incorporate the effects of expected early exercise:
Black Scholes Option Pricing Model. The assumptions are as stated in the above table.

c. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:
The expected volatility has been calculated based on the nearest comparable peers' prices, as the historical data of the Company is not available considering the unlisted status of your Company as of the grant date of stock options.

d. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:

Yes, the features are mentioned below, viz:

a. weighted average risk free interest rate

b. weighted average expected volatility

c. weighted average share price

Disclosures in respect of grants made in three years prior to IPO under each ESOP:

a. During the year 2016-17, the ESOP scheme 2017 was approved but no grants were made.

b. On April 12, 2017 all options under the said scheme i.e. 391,599 options were granted prior to the IPO.

Information regarding options Lapse:

a. During the year 2017-18, 23,281 options became unexercisable.

b. During the year 2018-19, 11,640 options became unexercisable/Lapsed.

c. During the year 2019-20, 14,965 Options became unexercisable/Lapsed.

d. During the year 2020-21, 48,221 Options became unexercisable/Lapsed.

e. During the year 2021-22, 16,629 Options became unexercisable/Lapsed.

f. During the year 2022-23, none of the Options became unexercisable/Lapsed

g. The Company has re-credited total 98,107 options to options reserved till signing of the report.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure 7

ERIS LIFESCIENCES LIMITED

Registered Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054

Email: complianceofficer@erislifesciences.com Website: www.eris.co.in
Tel: +91 79 6966 1000 Fax: +91 79 6966 1155
CIN: L24232GJ2007PLC049867

DISCLOSURES WITH RESPECT TO THE EMPLOYEES' STOCK OPTION PLAN, 2021 OF THE COMPANY PURSUANT TO RULE 12 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014, REGULATION 14 AND PART F OF SCHEDULE I TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

A. **Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by the ICAI or any other relevant accounting standards as prescribed from time to time:**
Members may refer to the audited financial statements prepared as per IND AS for the year 2022-2023.

B. **Diluted Earnings Per Share (EPS) pursuant to the issue of shares on exercise of options calculated in accordance with Ind-AS 33:**
Standalone Diluted EPS for the year ended March 31, 2023, is Rs. 29.23/- calculated in accordance with IND AS 33

C. **Details related to Employees' Stock Option Plan, 2021 ("ESOP 2021")**

Sr. No.	Description	Details
1.	Date of Shareholders' Approval	01st September, 2021
2.	Total Number of Options approved under ESOPs	13,58,630 equity shares
3.	Vesting requirements	There shall be a minimum period of one year between the grant of Options and the vesting of Options. The granted Options shall be vested as per the vesting schedule of 25:25:25:25, i.e., 25% of the grant shall vest at the first anniversary of the grant, 25% of the grant shall vest at the second anniversary of the grant, 25% of the grant shall vest at the third anniversary of the grant and 25% of the grant shall vest at the fourth anniversary of the grant. Unless the Administrator decides otherwise, no amount shall vest, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company and/or its subsidiary(ies) ("Group") or any activity related to the business carried on by the Group.

4.	Exercise Price or Pricing Formula	The exercise price shall be 80% of the closing price (CMP) of the equity shares of the company on the National Stock Exchange of India Limited on the date immediately preceding the date of grant and if such a date is a trading holiday, the earliest such preceding day which is not a trading holiday.
5.	Maximum term of option granted	31st December 2037
6.	Sources of Shares	Primary
7.	Variation in terms of options	Nil
8.	Method used to account for ESOPs	Black Scholes Option Pricing Model.
9.	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed	NA
10	Option movement during the year as on March 31, 2023	
	a. Number of options outstanding at the beginning of the period	NIL
	b. Number of options granted during the year	2,79,568
	c. Number of options forfeited/ lapsed during the year	29,625
	d. Number of options vested during the year	53,512
	e. Number of options exercised during the year	1,521
	f. Number of shares arising as a result of the exercise of options	1,521
	g. Money realised by exercise of options (INR), if the scheme is implemented directly by the company	0.85 Million
	h. Loan repaid by the trust during the year from exercise price received	NA
	i. Number of options outstanding at the end of the year	4,62,524
	j. Number of options exercisable at the end of the year	47,173

11.	Weighted-average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise prices: 1st Grant made on 10 Feb 2022: Rs. 557.24 2nd Grant made on 10 Feb 2023: Rs. 510.32 Weighted average fair values: 1st Grant made on 10 Feb 2022: Rs 341.62 2nd Grant made on 10 Feb 2023: Rs.313.34
12.	Employee-wise details of options granted during the year to:	
	i. Senior Managerial Personnel and / or Key Managerial Personnel	Mr. Krishnakumar Vaidyanathan- Executive Director & Chief Operating Officer - 75,797 Options Mr. Sachin Shah – CFO – 11,967 Options Mr. Milind Talegaonkar – Company Secretary - 3430 Options
	ii. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Mr. Krishnakumar Vaidyanathan- Executive Director & Chief Operating Officer - 75,797 Options Gagan Atreja- President (Sales & Marketing) - 15,957 Options
	iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL

13. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

a. The weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model:

- 1st Grant made on 10 Feb 2022

Sr. No	Particular	2022-23
i	weighted average risk free interest rate	6.37%
ii	weighted average expected option life (in Years)	7.50
iii	weighted average expected volatility	33.38%
iv	weighted average expected dividend yield	0.76%
v	weighted average share price	696.55
vi	weighted average exercise price (rounded to the nearest decimal)	557.24

- 2nd Grant made on 10 Feb 2023

Sr. No	Particular	2022-23
i	weighted average risk free interest rate	7.15%
ii	weighted average expected option life (in Years)	7.50
iii	weighted average expected volatility	31.99%
iv	weighted average expected dividend yield	0.96%
v	weighted average share price	637.90
vi	weighted average exercise price (rounded to the nearest decimal)	510.32

b. The method used and the assumptions made to incorporate the effects of expected early exercise:
Black Scholes Option Pricing Model. The assumptions are as stated in the above table.

c. How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility:

- 1st Grant made on 10 Feb 2022

  The expected volatility has been calculated based on the average Underlying Annualized Volatility from the listing date to February 10, 2022, of Eris Lifesciences Ltd

- 2nd Grant made on 10 Feb 2023

  The expected volatility has been calculated based on the average Underlying Annualized Volatility from the listing date to February 10, 2023, of Eris Lifesciences Ltd

d. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition:

Yes, the features are mentioned below, viz:

a. weighted average risk free interest rate
b. weighted average expected volatility
c. weighted average share price

Disclosures in respect of grants made in three years prior to IPO under each ESOP: NA

Information regarding options Lapse:
During the year 2022-23, 29,625 options became un-exercisable/lapsed.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure 8

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto. (FY 2022-23)

I. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

II. Details of material contracts or arrangement or transactions at arm's length basis:

1		
a	Name(s) of the related party and nature of relationship:	Aprica Healthcare Limited (Wholly owned subsidiary)
b	Nature of contracts/arrangements/transactions:	Sales of Finished goods Royalty Income Composite support service income Royalty expense
c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The sale of stock-in-trade was in ordinary course of Business and at arms' length basis Value of transactions - • Sales of Finished goods – 64.32 Million • Royalty Income – 4.68 Million • Composite support service income – 0.12 Million • Royalty expense – 4.60 Million
e	Date(s) of approval by the Board, if any:	Not Applicable
f	Amount paid as advances, if any:	NIL

2		
a	Name(s) of the related party and nature of relationship:	Eris Healthcare Private Limited (Wholly owned subsidiary)
b	Nature of contracts/arrangements/transactions:	Sales of Finished goods Purchases of Stock-in-trade Sales of property plant and equipment Royalty Expense Composite support service income

c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The transactions were in ordinary course of Business and at arms' length basis Value of transactions – • Sales of Finished goods - 55.78 Million • Purchases of Stock-in-trade – 0.28 Million • Sales of property plant and equipment – 0.35 Million • Royalty Income – 3.26 Million • Composite support service income – 0.30 Million
e	Date(s) of approval by the Board, if any:	Not Applicable
f	Amount paid as advances, if any:	NIL

3		
a	Name(s) of the related party and nature of relationship:	Eris Oaknet Healthcare Private Limited (Wholly owned subsidiary)
b	Nature of contracts/arrangements/transactions:	Sales of Stock-in-trade Composite support service income Guarantee Commission income Royalty income
c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The transaction was in ordinary course of Business and at arms' length basis Value of transactions – • Sales of Stock-in-trade - 5.81 Million • Composite support service income – 0.06 Million • Guarantee Commission income – 4.78 Million • Royalty income – 0.23 Million
e	Date(s) of approval by the Board, if any:	Not Applicable
f	Amount paid as advances, if any:	NIL

4		
a	Name(s) of the related party and nature of relationship:	Eris Therapeutics Limited (Wholly owned subsidiary)
b	Nature of contracts/arrangements/transactions:	Sales of property plant and equipment Purchases of Stock-in-trade Composite support service income Other Expenses
c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The transaction was in ordinary course of Business and at arms' length basis Value of transactions – • Sales of property plant and equipment – 0.06 Million • Purchases of Stock-in-trade – 1.02 Million • Composite support service income – 0.12 Million • Other Expenses – 0.06 Million
e	Date(s) of approval by the Board, if any:	Not Applicable
f	Amount paid as advances, if any:	NIL

5		
a	Name(s) of the related party and nature of relationship:	Eris M. J. Biopharm Private Limited (Subsidiary)
b	Nature of contracts/arrangements/transactions:	Composite support service income
c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The transaction was in ordinary course of Business and at arms' length basis Value of transaction – 0.12 Million
e	Date(s) of approval by the Board, if any:	Not Applicable
f	Amount paid as advances, if any:	NIL

6		
a	Name(s) of the related party and nature of relationship:	Mr. Parv Bakshi (Son of Mr. Amit Bakshi, Chairperson and Managing Director)
b	Nature of contracts/arrangements/transactions:	Remuneration
c	Duration of the contracts/arrangements/transactions:	On-going
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	The payment of approved remuneration has been made by the Company against the services rendered by Mr. Parv Bakshi Value of transaction – 0.51 Million
e	Date(s) of approval by the Board, if any:	Board approval – Not applicable Approved by Executive Committee under Omnibus approval mechanism dated May 31, 2021
f	Amount paid as advances, if any:	NIL

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure 9

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL ("KMP") AND OTHER EMPLOYEES

Preamble

This Policy on Remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees (hereinafter referred as the "Policy") of Eris Lifesciences Limited ("the Company") is designed and formulated by the Nomination and Remuneration Committee ("the Committee") of the Company pursuant to the Companies Act, 2013 (the "Act") and rules made thereunder and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

The Board of Directors of the Company adopted this policy at their meeting held on August 17, 2017.

The Policy lays down the criteria with regard to remuneration of Directors, KMP and other employees.

A. **Guiding Principles for remuneration**: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate with their contributions and shall be sufficient enough to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge and skill required including complexity of the job, work duration and risks associated with the work, and attitude of the worker like positive outlook, team work, loyalty, past remuneration, past performance etc.

   The level and components of the remuneration shall be such so as to align with the long term interest of the company and it's shareholders.

B. **Components of Remuneration**:

   The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.

   a. **Fixed compensation:** The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.
   b. **Variable compensation:** The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.
   c. **Share based payments:** The Board of Directors may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.
   d. **Non-monetary benefits:** Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary benefits such as discounted salary advance /credit facility, rent free accommodation, Company cars with or without chauffer's, share and share price related incentive, reimbursement of electricity and telephone bills etc.
   e. **Commission:** The directors may be paid commission if approved by the shareholders. The shareholders may authorise the Board to declare commission to be paid to any director of the Board.
   f. **Retirement benefits:** The Company shall provide retirement benefits applicable in accordance with law.
   g. **Sitting Fee and Commission:** The Company may pay sitting fee for attending Board and Committee meeting and commission to the Directors of the Company in compliance with law.
   h. **Loan/ advances to the Employees:** The Company may give loan or advances to the employees in accordance with the provisions of the Companies Act, 2013 and the terms and conditions of the Loan Policy of the Company, as approved by the Board or any Committees thereof, from time to time.

C. **Entitlement**: The authority to determine the entitlement to various components as aforesaid for each class and designation of personnel shall be as follows:

Designation / Class	To be determined by
Managing Director/ Whole Time Director	The remuneration for the Managing Director/ Whole Time Director is as per the agreement approved by the shareholders on recommendation of the Board of Directors. In case of any change, the same would require the approval of the shareholders on recommendation of the Board of Directors and other applicable compliances required by laws.
Independent Directors*	Board of Directors / Executive Committee
Other Directors	Board of Directors
Senior Management	Recommendation of the Nomination and Remuneration Committee and approval of Board of Directors
Other Employee	Departmental Heads in consultation with Human Resources Head

*Sitting fee payable to the directors shall be in accordance with the provisions of the law.

D. **Amendment**: The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

Annexure- 10

Information required under Section 197 of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary during the financial year 2022-23:**

Sr. No.	Name of Director & KMP	Designation of Director & KMP	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2022-23	% increase/(decrease) in remuneration in the FY 2022-23*
1.	Mr. Amit Indubhushan Bakshi	Managing Director	142.97	6%
2.	Mr. Inderjeet Singh Negi	Whole time Director	36.34	6%
3.	Mr. Kaushal Kamlesh Shah	Whole time Director	20.49	6%
4.	Mr. Krishnakumar Vaidyanathan	Whole time Director	131.47	13%
5.	Mrs. Vijaya Sampath	Independent Director	3.75	-80%
6.	Mr. Prashant Gupta	Independent Director	11.65	-36%
7.	Ms. Kalpana Vasantrai Unadkat	Independent Director	13.26	1%
8.	Mr. Rajeev Dalal	Independent Director	12.31	14%
9.	Mr. Sujesh Vasudevan	Independent Director	8.26	NA
10.	Mr. Sachin Shah	CFO	42.06	9%
11.	Mr. Milind Talegaonkar	Company Secretary	12.60	-4%

* Includes sitting fees paid to Non-Executive Directors.

2. **The percentage increase in the median remuneration of employees in the financial year:** 8.68%

3. **The number of permanent employees on the rolls of the Company as on 31st March, 2023:** 3,548

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

   The percentile increase in the managerial remuneration has been 8.56% which is higher than the change in the remuneration of employees other than constituting managerial remuneration which register an increase of 19.18%. The change in the remuneration of field staff is made as per their sales performance as per a documented increment structure uniformly applied to the field staff. The managerial function is concerned with more critical issues which influence and determine

the survival, continued growth, and the business direction for the company. The managerial talent is scarce and hence its retention is even more important. Managerial personnel form executive management and remain accountable to all the stakeholders of the company for business performance as well as corporate governance and therefore need to demonstrate balance of judgement and mature decision making in the backdrop of fast changing and increasingly complex industry landscape. These reasons justify the higher increase in the managerial remuneration.

5. **It is hereby affirmed that the remuneration paid is as per the Company's Remuneration Policy.**

Details pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Top 10 employees in terms of remuneration drawn during the year:**

Name of Employee	Designation	Remuneration received#	Qualifications	Experience	Date of commencement of employment	Age (Approx)	Last employment	Percentage of equity shares held by the employee
Amit Bakshi	Managing Director	4,87,76,648	Indian School Certificate examination	He has previously worked with companies in the pharmaceutical sector in various capacities and has more than 20 years experience in the pharmaceutical industry.	January 2007	48 yrs	Intas Pharmaceuticals Limited	40.83%
Krishnakumar Vaidyanathan	Whole time Director & COO	4,48,52,052	MBA in finance and B. Tech	He has more than 20 years of professional experience across Lifesciences, Corporate Finance and Management Consulting.	December 2020	49 yrs	Ernst & Young LLP	0
Sachin Shah	CFO	1,43,50,962	Chartered Accountant	He has more than 11 years experience in Investment Banking and pharmaceutical industry.	January 2013	43 yrs	Avendus Capital Private Limited	Negligible
Alok Mahajan	Vice President	1,32,97,884	PGDM Marketing	He has previously worked in marketing field for more than 20 years	June 2018	47 yrs	Ruchi Soya	Negligible

Deepak Kapoor	Senior Vice President	1,26,41,662	B.Sc., IIM Amedabad Crash course	He has more than 30years experience inthe Pharmaceutical industry in sales and marketing	February 2020	59 yrs	Sun Pharma	0
Inderjeet Singh Negi	Whole time Director	1,23,99,544	Bachelor's degree in science	He has more than 21 years of experience in the pharmaceutical industry	January 2007	52 yrs	Intas Pharma-ceuticals Limited	4.36
Vijay S. Joshi	President	1,23,05,520	Bachelor's degree in science	He has previous-ly worked with companies in the pharmaceutical sector in various capacities and has more than 31 years experience in the pharmaceutical industry	May 2010	70 yrs	USV Group	Negligible
Manish Kapoor	Vice President	1,23,60,692	B.Sc + MBA (Marketing)	He has more than 22 Years experi-ence in pharma-ceutical industry.	August 2018	46 yrs	Sanofi Pasteur	0

Gagan Atreja	President	1,12,36,813	(1) Pharmaceutical Marketing & Management from MDI, Gurgaon (2010) (2) Certified in Advanced Business Leadership from IIM-A (2007-2008) (3) Post Graduate Diploma in Business Management (Mktg.) from Kurukshetra University (1988 - 1989) (4) B.Sc. Biology (1985-1987)	He has more than 35 years experience in pharmaceutical industry	June 2022	55 yrs	Torrent Pharmaceuticals Ltd	0
Santosh Danavale	Vice President	1,31,21,559	B.Sc.	He has more than 21 Yrs experience in pharmaceutical industry.	April 2007	43 Yrs	Intas Pharmaceuticals	Negligible

Remuneration received include the effect of ESOP exercised by the employees.

- Employees mentioned above are neither relatives of any directors or managers of the Company.
- All appointments are/were contractual in accordance with terms and conditions as per Company rules.

2. **Other Employee(s) drawing a remuneration of Rs. 1.02 Crore or above:**

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employmen	Percentage of equity shares held by the employee	Relation with Diretor, if any
Santanu Rudra	Vice President	1,06,72,572	M Pharm	He has more than 26 years of experience in field of Pharmaceuticals.	August, 2018	53 yrs	Wockhardt Ltd.	0	NA

3. **Other Employee(s) Employed for part of the year with an average salary above Rs. 8.5 Lakh per month or above;**

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age (Approx)	Last employment	Percentage of equity shares held by the employee	Relation with Diretor, if any
NIL									

4. **Other Employee(s) employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.**

Name of Employee	Designation	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age (Approx)	Last employment	Percentage of equity shares held by the employee	Relation with Diretor, if any
NIL									

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director

Date: August 07, 2023
Place: Ahmedabad

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I.	Details of the listed entity	
1	Corporate Identity Number (CIN) of the Listed Entity	L24232GJ2007PLC049867
2	Name of the Listed Entity	Eris Lifesciences Limited
3	Year of incorporation	25-01-2007
4	Registered office address	Shivarth Ambit, Plot No 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
5	Corporate address	Shivarth Ambit, Plot No 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054
6	E-mail	complianceofficer@erislifesciences.com
7	Telephone	07969661000
8	Website	https://eris.co.in/
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited
11	Paid-up Capital (In Rs)	Rs. 13,59,92,238/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	
	Name	Milind Talegaonkar
	Contact	07969661000
	E mail	complianceofficer@erislifesciences.com
13	Reporting boundary	Reporting is done on a Standalone basis

II.	Products/services			
14	Details of business activities (accounting for 90% of the turnover)			
	Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
	01.	Pharmaceutical	manufacturing and marketing of pharmaceutical products	100.00%
15	Products/Services sold by the entity (accounting for 90% of the entity's Turnover)			
	Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
	01.	manufacturing of pharmaceuticals	2100	100.00%

III.	Operations			
16	**Number of locations where plants and/or operations/offices of the entity are situated**			
	Location	**Number of plants**	**Number of offices**	**Total**
	National	1	3	4
	International	0	0	0
17	**Markets served by the entity**			
A	**Number of locations**			
	Locations	**Number**		
	National (No. of States)	27		
	International (No. of Countries)	0		
B	**What is the contribution of exports as a percentage of the total turnover of the entity?** Our Company follows "pure play domestic branded formulations" business model. There are, therefore, no exports.			
C	**A brief on types of customers** The Company serves across all segments of customers. At the core, the final customers are the patients who buy the products of the Company based on the prescriptions from the Doctors. The primary channel of distribution is through the wholesale drug distributors, stockist and retail pharmacies.			

IV.	Employees					
18	**Details as at the end of Financial Year**					
A.	**Employees and workers (including differently abled)**					
S. No.	**Particulars**	**Total (A)**	**Male**		**Female**	
			No. (B)	**% (B / A)**	**No. (C)**	**% (C/A)**
	EMPLOYEES					
1	Permanent (D)	2588	2513	97.10%	75	2.90%
2	Other than permanent (E)	867	850	98.04%	17	1.96%
3	**Total employees (D + E)**	**3455**	**3363**	**97.34%**	**92**	**2.66%**

WORKERS						
4	Permanent (F)	93	89	95.70%	4	4.30 %
5	Other than permanent (G)	0	0	0	0	0
6	**Total workers (F + G)**	**93**	**89**	**95.70%**	**4**	**4.30 %**
B.	**Differently abled Employees and workers:**					
S. No.	**Particulars**	**Total (A)**	**Male**		**Female**	
			No. (B)	**% (B / A)**	**No. (C)**	**% (C / A)**
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	**Total differently abled employees (D + E)**	**0**	**0**	**0**	**0**	**0**
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	**Total differently abled workers (F + G)**	**0**	**0**	**0**	**0**	**0**

19	**Participation/Inclusion/Representation of women**			
		Total (A)	**No. and percentage of Females**	
			No. (B)	**% (B / A)**
	Board of Directors	8	1	12.50%
	Key Management Personnel	2	0	0.00%

20	**Turnover rate for permanent employees and workers** *(Disclose trends for the past 3 years)*									
		FY 2022-23 *(Turnover rate in current FY)*			**FY 2021-22** *(Turnover rate in previous FY)*			**FY 2020-21** *(Turnover rate in the year prior to the previous FY)*		
		Male	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
	Permanent Employees	24.3%	30.40%	24.50%	23.80%	30.00%	24%	17.60%	21.50%	17.70%
	Permanent Workers	33.66%	0	33.66%	35.69%	0	35.69%	36.08%	0	36.08%

V.	Holding, Subsidiary and Associate Companies (including joint ventures)				
21	Names of holding / subsidiary / associate companies / joint ventures				
	Sr. No.	Name of the holding/ subsidiary/ associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicatedat column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	1.	Aprica Healthcare Limited (Previously known as UTH Healthcare Limited)	Wholly Owned Subsidiary	100%	Yes
	2.	Eris M. J. Biopharm Private Limited (Previously known as Kinedex Healthcare Private Limited)	Subsidiary	70%	Yes
	3.	Eris Therapeutics Limited	Wholly Owned Subsidiary	100%	Yes
	4.	Eris Oaknet Healthcare Private Limited (Previously known as Oaknet Healthcare Private Limited)	Wholly Owned Subsidiary	100%	Yes
	5.	Eris Healthcare Private Limited ("EHPL")	Wholly Owned Subsidiary	100%	Yes
	6.	Eris Pharmaceuticals Private Limited	Subsidiary of EHPL	76%	Yes

VI.	CSR Details	
22	**(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:**	Yes
	(ii) Turnover (Rs. in Millions)	Rs. 13,071.20
	(iii) Net worth (Rs. in Millions)	Rs. 22,218.84

VII.	Transparency and Disclosures Compliances							
23	Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct							
	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
	Communities	Yes*	0	0	-	0	0	-
	Investors (other than shareholders)	Yes*	0	0	-	0	0	-
	Shareholders	Yes*	0	0	-	0	0	-
	Employees and workers	Yes*	0	0	-	0	0	-
	Customers	Yes*	0	0	-	0	0	-
	Value Chain Partners	Yes*	0	0	-	0	0	-
	Other (please specify)	Yes*	0	0	-	0	0	-

**Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms are placed on the Company's website at the link mentioned below: -*

https://eris.co.in/corporate-governance/

Also, the Company has in place separate teams for handling the queries of different stakeholders the email Ids for them are as mentioned below:

a) Investor Queries- investor.relations@eris.co.in

b) HR related queries- hr.communication@erislifesciences.com

c) Secretarial- complianceofficer@erislifesciences.com

d) Legal- legal@erislifesciences.com

In addition, there are internal policies placed on the intranet platform of the Company.

24	Overview of the entity's material responsible business conduct issues					
	Sr. No.	**Material issue identified**	**Indicate whether risk or opportunity (R/O)**	**Rationale for identifying the risk / opportunity**	**In case of risk, approach to adapt or mitigate**	**Financial implications of the risk or opportunity (Indicate positive or negative implications)**
	1.	ESG and Regulatory Compliances	Risk	The risk of financial and reputational damage that arises from non-compliance with environmental, social, and governance (ESG) standards and regulations.	1. Identify potential ESG Risks 2. Implement the ESG compliance program and monitor the ESG compliance performance.	• Stronger positioning with investors; • Better ability to attract capital • Operations become more sustainable • Reduced risk of fines and penalties • Improved reputation
	2.	Product quality and safety	Risk	Product quality issues could have serious patient safety issues along with product liability and regulatory ramifications. A lapse in product quality can have a cascading effect, leading to product withdrawals, recalls, decreased sales, and reputational damage.	1. Implement effective quality control procedures. 2. Use robust data management processes 3. Provide training to employees 4. Strengthen the system in place for reporting and investigating incidents. 5. Conduct regular audits	• Patient safety and hence reputational damage • Legal liability • Fines and penalties • Increased costs due to recall and destruction of products, change in manufacturing processes and loss of sale.
	3.	Supply chain management	Risk	The entire product life cycle relies heavily on the supply chain, necessitating a robust contingency plan to address unforeseen circumstances that could potentially disrupt the supply chain. Moreover, the Company extends its responsible business principles throughout the value chain, expecting suppliers to comply with these principles.	1. Create a strong evaluation system to analyse the effects of unprecedented disruptions on the supply chain and formulate a thorough contingency strategy to minimize significant consequences on the business. 2. Conduct a supplier evaluation following standard practices and requirements as guided by sector-specific responsible supply chain initiatives.	**Positive:** Through the adoption of responsible supply chain practices, the company look forward to effectively manage disruptions in the supply chain that may arise from unexpected events. **Negative:** Any disruptions occurring throughout Eris's supply chain can have a detrimental effect on its operations, leading to hindered product supply and increased costs.

	4.	Occupational Health and safety	Risk	Consistent with the Organisational philosophy of putting-'Safety before everything else' Any organization with an unsafe or unhealthy work environment is very vulnerable to low employee satisfaction and retention.	1. Continuous improvement in safety standards 2. Employee training and establishing protocols. 3. Corrective action plans post the identification and assessment of safety incidents.	**Positive:** • Employee satisfaction • Decrease in employee turnover. • Increased reputation **Negative:** • Operational disruptions • Imposition of fines and penalties • Decrease in morale and productivity.
	5.	Human Resource retention	Risk & opportunity	Risk: 1. Loss of institutional experience. 2. Increased costs 3. Reduced productivity 4. Damage to morale. Opportunities: 1. Increased employee engagement 2. Reduced costs 3. Improved reputation.	1. Identify the root causes of employee turnover. 2. Create a positive work environment. 3. Offer competitive compensation and benefits. 4. Provide opportunities for learning, development, and advancement. 5. Celebrate success. 6. Address employee concerns. 7. Create a culture of trust and respect. 8. Conduct employee engagement surveys	**Positive:** • Reduced costs • Reduced risk of accidents • Enhanced reputation **Negative:** • Cost of recruiting and hiring • Cost of training • Loss of productivity • Damage to morale

	6.	Technology and digitalisation	Risk and Opportunity	Risk: The risks associated with technology have a direct impact on the security and integrity of the entire business operations. It is crucial to periodically assess the criticality of technology and cyber security to prevent data privacy breaches, safeguarding the confidential information of the Company and its stakeholders. Opportunity: By establishing robust governance practices regarding data integrity, technology, digitalization, and innovation, the Company can create a secure and impenetrable network. This allows for the smooth execution of business transactions on a global scale, while ensuring the ability to adapt and grow at a rapid pace.	1. Strengthening perimeter security 2. Enhancing IT and monitoring systems 3. Implementing anti-virus software 4. Effectively managing software patches 5. Regular trainings on cyber security	**Positive:** • Compliance with data security and privacy regulations • Prevent data loss **Negative:** • Increased number of data breaches • Loss of valuable data • Network outages, or technical glitches
	7.	Community development - CSR	Opportunity	By actively participating in Corporate Social Responsibility (CSR) endeavours that give preference to preventive health screenings the company improves its perception in the community that it operates in.	NA	**Positive:** The enhanced image improves the willingness of the medical fraternity to trust the pharmaceutical offerings of the company w.r.t. their effectiveness in curing the patients.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive towards all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect and make efforts to protect and restore the environment
Principle 7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Yes. All policies which are mandatorily required to be disclosed under various governing regulations have been placed on the website https://eris.co.in/corporate-governance/ and other policies have been placed on the intranet of the Company for its employees.								

2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	National Guidelines on Responsible Business Conduct (NGBRC)	NGBRC	NGBRC	Global Reporting Initiative Standards, NGBRC	United Nations Guiding Principles on Business and Human Rights, NGBRC	Global Reporting Initiative Standards, NGBRC	NGBRC	NGBRC	WHO GMP guidelines compliant, Product quality- ISO 9001: 2015, NGBRC
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-

Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	We believe that concerns for Society and Environment along with the business existence and its expansion are the core values of any organisation. This belief has always kept us thoughtful to align our business practices with the ESG related guidelines. We strive to adopt best environmental practices and protocols within the paradigm of our operations and create value for all stakeholders whilst growing responsibly and sustainably. During the year, a host of initiatives were undertaken at the manufacturing plant to step up our game on the ESG front. We always prioritize contributing to Environment Health and Safety issues. In line with the said view, we have set-up an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process, designed for the removal of liquid waste from the system. The emphasis of the process is to manage wastewater economically and produce clean water. We have installed Electricity Meters and VFDs (Variable Frequency Devices) at all energy-intensive points in the facility to monitor and reduce specific energy consumption. We have set and implemented specific targets for use of recycled water in areas such as gardening, cooling tower, boiler and washrooms. We endeavour to maintain healthy relationship and engagement with local communities and work with them as partners. In that spirit, we have initiated and adopted social and community welfare undertakings which include a wide spectrum of development activities.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Krishnakumar Vaidyanathan DIN: 08976508 Designation: Wholetime Director & Chief Operating Officer
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).	Yes
If yes, provide details.	The Executive Committee of the Company oversees the ESG initiatives of the Company. The Committee supports the Board on all matters relating to sustainability and inter alia reviews the progress of sustainability strategies and defines action plan as may be appropriate from time to time to achieve the same.

10. Details of Review of NGRBCs by the Company

Subject for Review	**Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee**									**Frequency (Annually / Half yearly / Quarterly/ Any other-please specify)**								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	Yes, Committee of the Board									Periodic/Need base								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Yes, Committee of the Board									Ongoing basis								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	No. The working of the policies are monitored by the executive management of the Company and any deviations therefrom are deliberated at the Board level.								

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	Familiarisation/ awareness program for the Board of Directors/ KMPs of the Company is done periodically. The topics cover business, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/ KMPs apprising them on developments in the Company, key regulatory changes, risks, compliances and legal cases.	Principles 1-9	100%
Key Managerial Personnel		Principles 1-9	100%
Employees other than BoD and KMPs	The employees/ workers of the Company undergo various training programmes throughout the year. The training programmes include:- Prohibition of Insider Trading, Prevention of Sexual Harassment at work place, Cyber security and awareness, code of conduct and ESG	Principles 1-9	100%
Workers		Principles 1-9	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings

During the financial year, no penalty / fine, settlement, compounding fee, imprisonment, or any kind of punishment has been imposed on the Company or its Directors and KMPs.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: Not Applicable.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief Provide a web-link to the policy, if available

Yes.

The policy reiterates that the Company is committed to maintain the highest ethical standards of business conduct and does not tolerate corruption of any kind at any level. The policy is applicable to our employees, agents and such other persons or entities that act on behalf of the Company.

The Company has placed the policy on its intranet and is made available to the Company's representatives including third parties.

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

During the financial year, no disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against the Directors, KMPs, employees or workers of the Company.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest: During the financial year, no complaints were received in relation to Conflict of Interest of the Directors or KMPs.

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-

Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

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

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year	The Company has a 'Supplier Code of Conduct' (SCoC) that provides guidance to value chain partners. The SCoC contains critical information on applicable laws, regulations, policies and procedures. It also provides direction on the behavioural and ethical standards to be met.
2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?	Yes. The Company has the following processes in place to avoid/ manage conflict of interest: • Yearly processes like assessment of independence, where applicable, and disclosure of interested entities. • Insulating the deliberations involving consideration of transactions with related entities from the directors identified to be interested. • Greater consideration towards establishment of arms-length nature of the transactions. • Continuous monitoring of adherence to the code of conduct for Directors and Senior Management Personnel.

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

Essential Indicators

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

	FY (2022-23)	PY (2021-22)	Details of improvements in environmental and social impacts
R&D*	-	-	-
Capex#	-	-	-

* Companies adopts the innovations available in the market and hence has no R&D expenditure in this regard.

As the capital expenditure for reducing effluent discharge, air pollutants, energy and water conservation incurred in the earlier years continue to serve the Company hence no expenditure in this regard was necessary.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)	Measures like preference for/commitment to: • local content in the supplies • geographically closer vendors • vendors who are more integrated backwards • vendors with demonstrated commitment towards compliance with regulatory requirements and reduction of their carbon footprint (formalized through a Supplier Code of Conduct) • ethical, fair and transparent vendor selection processes
b. If yes, what percentage of inputs were sourced sustainably?	100% of inputs were sourced sustainably in terms of the company's sustainable sourcing programme.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging)	Plastic waste, if any, is disposed by Eris in a way that is safe and healthy to the environment
(b) E-waste	NA
(c) Hazardous waste	NA
(d) other waste (Expired Products)	Expired products are handed over to the authorised incineration agency for being disposed of in accordance with the requirements of the Bio-Medical Waste Management Rules, 2016.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).	No
If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?	Not Applicable
If not, provide steps taken to address the same.	As the expired medicines are required to be disposed of in accordance with the requirements of the Bio-Medical Waste Management Rules, 2016, the EPR is inapplicable to that extent.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details

No, the inputs or products of the company do not have the potential to have a significant negative influence on the environment. Further, Authorised incineration facilities dispose of the waste produced during product manufacture, packaging, or expiration in a safe manner.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.- Not applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

As the Company is engaged in the business of manufacturing and marketing of pharmaceuticals, the Company cannot recycle or reuse input materials in the manufacturing process due to the legal requirements forbidding the recycling/reuse and mandating their disposal in accordance with applicable law.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste (Expired products)	NA	NA	172.054	NA	NA	103.977

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Not applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employee

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2513	2513	100%	2513	100%	-	-	-	-	-	-
Female	75	75	100%	75	100%	75	100%	-	-	75	100%
Total	**2588**	**2588**	**100%**	**2588**	**100%**	**75**	**2.90%**	**-**	**-**	**75**	**2.90%**
Other than Permanent employees											
Male	850	850	100%	850	100%	-	-	-	-	-	-
Female	17	17	100%	17	100%	17	100%	-	-	17	100%
Total	**867**	**867**	**100%**	**867**	**100%**	**17**	**1.96%**	**-**	**-**	**17**	**1.96%**

b. Details of measures for the well-being of workers:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	89	68	76.40%	68	76.40%	-	-	-	-	-	-
Female	4	2	50.00%	2	50.00%	4	100%	-	-	4	100%
Total	**93**	**70**	**75.27%**	**70**	**75.27%**	**4**	**4.30%**	**-**	**-**	**4**	**4.30%**
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	9.31%	46.43%	Y	13.88%	51.00%	Y
Others- Please specify						

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	Yes, we are committed to providing a workplace that is accessible to all employees, regardless of their abilities. By taking the following steps, the entity is creating a more inclusive and welcoming environment for all employees: • Placement of ramps/elevators along with stairs which makes it easier for people with mobility impairments to move around. • Providing accessible toilet facilities throughout the entity's premises, which includes wheelchair-accessible stalls, grab bars, and accessible sinks. • Allowing employees to work in more easily accessible places such as by transferring a wheelchair user's workstation from an inaccessible upper floor to the ground floor.
If not, whether any steps are being taken by the entity in this regard.	NA

4.

Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?	Yes, the Company provides an inclusive work culture and a discrimination-free environment for all its employees. The Company values and embraces diversity and does not discriminate against anyone based on race, gender, religion / beliefs, disability, marital or civil partnership status, age, sexual orientation, gender identity, gender expression, caring responsibilities, or any other protected class of person in the country, and have a Diversity, Equity and inclusion policy in place to ensure the same.
If so, provide a web-link to the policy.	The Company has placed its policy on the company's website at https://eris.co.in/corporate-governance/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?	Yes

If yes, give details of the mechanism in brief.

	Yes/~~No~~ *(If Yes, then give details of the mechanism in brief)*
Permanent Workers	The Company has a Whistle Blower Policy in place that provides a grievance redressal mechanism and encourages its employees and workers to report without fear any instance of actual or suspected violation, wrongdoings or any illegal or unethical or improper practice which may adversely impact the image and / or the financials of the Company. Any reports or queries can be referred to the Audit Committee's Chairperson. Additionally, the employees and workers can also write to the HR Team at the email ID- hr.communication@erislifesciences.com regarding their grievance.
Other than Permanent Worker	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: Not Applicable

Category	**FY 2022-23**			**FY 2021-22**		
	Total employees / workers in respective category (A)	**No. of employees / workers in respective category, who are part of associa-tion(s) or Union (B)**	**%(B/A)**	**Total employees / workers in respective category (C)**	**No. of employees / workers in respective category, who are part of associ-ation(s) or Union (D)**	**%(D/C)**
Total Permanent Employees	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3363	242	7.20%	78	2.32%	3207	-	-	123	3.83%
Female	92	15	16.30%	4	4.35%	93	-	-	15	16.12%
Total	**3455**	**257**	**7.44%**	**82**	**2.37%**	**3300**	**-**	**-**	**138**	**4.18%**
Workers										
Male	89	89	100%	40	44.94%	86	86	100%	40	46.51%
Female	4	4	100%	2	50.00%	4	4	100%	2	50.00%
Total	**93**	**93**	**100%**	**42**	**45.16%**	**90**	**90**	**100%**	**42**	**46.67%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3363	3363	100%	3207	3207	100%
Female	92	92	100%	93	93	100%
Total	**3455**	**3455**	**100%**	**3300**	**3300**	**100%**
Workers						
Male	89	89	100 %	86	86	100%
Female	4	4	100%	4	4	100%
Total	**93**	**93**	**100%**	**90**	**90**	**100%**

10. Health and safety management system:

a.	Whether an occupational health and safety management system has been implemented by the entity?	Yes, we have effectively implemented an occupational health and safety management system across the organisation including its group companies.
	If yes, the coverage such system?	Our health and safety management system covers all the units and employees of our organisation. Hence the coverage is 100%.
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Well documented work related hazards that are applicable to Pharma industry are available in the public domain and are relied upon for the identification of such hazards. The processes used to assess risks: **Routine basis:** • Conducting regular inspections of our workplaces to identify potential hazards. These inspections are conducted by trained safety professionals who look for hazards such as unsafe equipment, poor housekeeping, and inadequate training. • Conducting regular medical check-ups for all employees **Non-routine basis:** Incident based assessments are done for identification of risks and measures needed for their mitigation.
c.	Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.	Yes, we have a well-established SOPs for reporting and handling work-related hazards which covers various aspects like identification of hazards, hazard control, incident reporting, and training to workers for handling the hazards. The SOPs are reviewed periodically for addition of new hazards and mitigation measures.
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?	Yes. For instance, with a view to promoting physical and mental wellbeing for all our employees and workers we have organised several health programs / camps at the corporate office, like: • Administration of all the Covid Vaccination dose to employees and their family members. • Health camp for identification of Anaemia among the employees. • Health camp for testing Iron deficiency in the employees • Free distribution of Medications for employees and their family members.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

We endeavour to maintain a safe and healthy workplace while offering our workers and staff the best care possible. We ensure that the following measures are taken care of to create a safe and healthy workplace:

- **Safety Culture:** We aim to create a safe work culture by ensuring that everyone recognises the value of safety and is dedicated to maintaining a safe and healthy workplace.
- **Providing Safe Resources:** We ensure that all the equipment and resources used / available at the workplace are safe to use and handle.
- **Providing Suitable Training:** We routinely train our employees on how to properly operate the equipments safely and further guiding them to perform operations in a safe manner, including general safety topics.
- **Conduct routine safety checks:** We perform routine safety checks to ensure all the processes are at place and followed for the well being of everyone, this also help us in identifying any potential hazards before they cause any disaster.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	1	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the locations are audited internally by the entity.
Working Conditions	100% of the locations are audited internally by the entity.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No corrective action plan has been necessitated on the above-mentioned parameters.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees	Yes
(B) Workers	Yes

The Company has Personal Accident Policy under which the benefits are granted to the family members of the deceased employee.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities *(as reported in Q11 of Essential Indicators above)*, who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

The Company provides skill upgradation trainings to all its employees during their employment. The skills acquired by the employees as a part of his role and responsibility and by virtue of the periodic trainings enable the individuals to pursue employment post their retirement or termination of employment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

The value chain partners are expected to adhere to the principles of Health and safety practices, working conditions as per extant regulations and report non-compliances/deviations, if any, in accordance with the contractual obligation agreed by them.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Few recommendations were received during the assessments, which have been addressed internally.

However, no significant risks / concerns were observed under scoring the effectiveness of the efforts put on health and safety within the Company.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our stakeholder engagement is based on seamless dialogue, empathy and a focus on value creation, which forms the foundation of our engagement approach at Eris. The Company relies on various individuals, groups, institutions or entities that contributes to its success and strong foundation for the future years to come for its continued and steady growth and success. The stakeholders can be internal or external and can be further divided into primary (Groups that are directly impacted) and secondary (groups that are indirectly impacted).

The Company cannot exist without its stakeholders and to identify the key stakeholders the Company resorts to the following parameters:

a) The fundamental impact that a stakeholder has on the performance of the Company.

b) How dynamic the relationship is and can the Company exist without the stakeholder

c) How much interest does the Stakeholder has in the Company.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	**Whether identified as Vulnerable & Marginalized Group** *(Yes/No)*	**Channels of communication** *(Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other*	**Frequency of engagement** *(Annually/ Half yearly/ Quarterly / others – please specify)*	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Employees	No	Email, Town halls, Employee Engagement Surveys, HR Portal	Ongoing	Employee wellbeing and satisfaction is an integral part of the Company's growth model. Employee engagement through various means of communication provides an insight into the key action areas for employee wellbeing and growth. The key areas of interest for employees are: • Training, professional growth and development • Well-being initiatives • Employee recognition • Fair remuneration • Work-life balance • Aagman/E-Aagman of employees

Investors/ Shareholders	No	Emails, Annual Reports, Earning / Investor calls, General Meetings	Quarterly/ Based on investor requirement	Investors/ Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company. The key areas of interest for the investors/ shareholders are: • Corporate governance • ESG disclosures • Regulatory compliance • Responsible supply chain management • Product responsibility • Cost competitiveness • Overall Company performance
Suppliers/ Vendors/ Manufacturers	No	Email, telephones, personal visits	Ongoing	Responsible supply chain practices are critically important for ensuring the business continuity in a sustainable manner. Engagement with suppliers, vendors enable the Company to identify the key material issues impacting the supply chain. The key areas of interest for the suppliers are: • Timely payments • Collaboration
Customers	No	Physical meetings, virtual meetings	Ongoing	The Company gathers information through permissible means to understand the end users' expectations and experience with our pharmaceutical products and counselling them about the lifestyle changes needed for effective management of the treatment.
Community	Yes	Physical meets and digital channels	Ongoing	As a conscientious corporate entity, we firmly believe in reciprocating the society's years of care, support, and nurturing bestowed upon our organization. From conducting community needs assessments and resolving grievances to implementing robust CSR initiatives, we actively contribute to the development of the community. Furthermore, we prioritize hiring individuals from the local area where our business operates to meet our manpower requirements whenever feasible.

Regulator	No	Emails, submissions, personal meetings	Need based	Our Company upholds a strong commitment to adhere to all Regulations in their entirety. In the dynamic realm of sustainability-related regulations and laws, we actively engage with government bodies and regulators to gain comprehensive insights into the specific requirements applicable to our Company, as well as the pharmaceutical sector as a whole.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The business and functional heads are responsible for interactions with the stakeholders and the Board is updated about the expectations and outcomes of the interactions on a periodic basis through its meeting with the business and functional heads and through periodic meetings with respective functions.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

Yes.

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

- Access road has been constructed, which equally serve the community residing in the neighbourhood.
- Adoption of zero liquid discharge policy for preserving ground water quality.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Our engagements like "on call initiatives" make available advanced point of care devices to patients who could ill afford to buy those. Our screening initiatives greatly help in identifying co-morbidities and thereby sensitize the vulnerable patient populations towards their fragile medical condition and the importance of scrupulously following the prescription regimen and lifestyle modifications recommended by his/her practitioner.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2588	850	32.84%	2485	475	19.11%
Other than permanent	867	815	94.00%	815	665	81.59%
Total Employees	**3455**	**1665**	**48.19%**	**3300**	**1140**	**34.54%**
Workers						
Permanent	93	93	100%	90	90	100%
Other than permanent	-	-	-	-	-	-
Total Workers	**93**	**93**	**100%**	**90**	**90**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	2513	-	-	2513	100%	2410	-	-	2410	100%
Female	75	-	-	75	100%	75	-	-	75	100%
Other than Permanent										
Male	850	-	-	850	100%	797	-	-	797	100%
Female	17	-	-	17	100%	18	-	-	18	100%
Workers										
Permanent										
Male	89	-	-	89	100%	86	-	-	86	100%
Female	4	-	-	4	100%	4	-	-	4	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	7	69,92,136	1	45,25,000
Key Managerial Personnel	2	93,24,117		
Employees other than BOD and KMP	3357	4,11,823	92	4,32,572
Workers	89	2,42,490	4	1,65,647

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the head of HR department is the focal point for addressing and assessing the issues related to Human Rights. It is ensured that the company's policies remain in line with the international human rights standards and can assist in resolving any potential problems.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has a grievance redressal mechanism in place and any employee can reach out to the HR at the email ID- hr.communication@erislifesciences.com. The contact details are also mentioned on the Company's website at https://eris.co.in/corporate-governance/.

Apart from this the Company also has a whistle blower policy in place and the identity of the whistle blower is maintained confidential by taking due care.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The identity of the complainant is kept confidential and the investigations in respect of the complaints received are carried out strictly in a confidential manner. The Company ensures that the complaints received are dealt with as per the Company's policy on Prevention of Sexual Harassment at workplace for the cases pertaining to harassment and as per the Company's other policies such as the Whistle Blower Policy, Diversity, Equity and inclusion policy or Equal opportunity policy for any other matters. These policies ensure protection of the identity of the complainant or whistle blower.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, in certain business agreements and contracts where relevant.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% of the locations are audited internally by the entity.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

By implementing the human rights policy through the conduct of numerous training sessions and maintaining a vigilant system, our Company ensures that our workforce is highly conscious and responsive to human rights issues. It is worth noting that no complaints were received throughout the year, indicating the effectiveness of these measures.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The entity avails technological tools facilitating surveillance over premises together with the nurturing of a culture which reassure and encourage all persons to come forward and report the instances of any human rights abuse which they come across with absolute guarantee against any possible vindictiveness as a consequence of such reporting.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the office premises of the Company has ramps, elevators, dedicated toilets and other amenities as per the requirement of the Rights of Persons with Disabilities Act, 2016 which are accessible to differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%* *The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices and report instances of any deviations therefrom. No deviations have been reported during the reporting year.
Discrimination at workplace	
Child Labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

(in KWH)

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	32,06,710	32,16,464
Total fuel consumption (B)	24,698	35,135
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	**32,31,408**	**32,51,599**
Energy intensity per rupee of turnover	0.02%	0.02%
(Total energy consumption/ turnover in rupees)	0.02%	0.02%
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)	No, the company is not identified as designated consumer under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.
If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.	Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	13,545	13,950
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal *(in kilolitres) (i + ii + iii + iv + v)*	13,545	13,950
Total volume of water consumption *(in kilolitres)*	13,545	13,950
Water intensity per rupee of turnover *(Water consumed / turnover)*	0.0001%	0.0001%

4. Has the entity implemented a mechanism for Zero Liquid Discharge?

If yes, provide details of its coverage and implementation

Yes, with respect to our contribution in Environment Health and Safety, we have set-up an effluent treatment plant with Zero Liquid Discharge (ZLD) treatment process at our manufacturing plant, designed for the removal of liquid waste from the system. The emphasis of the process is to manage wastewater economically and produce clean water.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Metric Tonnes	0.21	0.23
SOx	Metric Tonnes	0.78	As the State PCB was not equipped with the appropriate Testing equipment the emission cannot be calculated.
Particulate matter (PM)	Metric Tonnes	0.01	0.01
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify			

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, we do constantly attempt to minimise the amount of an impact that a business has on the environment including reduction of greenhouse gases for which we have taken the following measures:

- Optimizing compressed air generation by installing an air reservoir to store and maintain air pressure
- Insulation of hot water tanks to minimize energy loss
- Optimisation of energy efficiency through preventive maintenance activities of systems like HVAC, plant and utility equipment at regular intervals

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	50.05	45.03
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)		
Process Waste ETP Sludge Spent Oil	2.75 0.05 0.02	1.67 0.02 0.01
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)	**52.87**	**46.73**

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	172.054	103.977
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	**172.054**	**103.977**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We have implemented an organised waste management system, where expired products are handed over to the authorised incineration agency for being disposed of in accordance with the requirements of the Bio-Medical Waste Management Rules, 2016.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Company does not have operations around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The Company has not undertaken environmental impact assessment during the current financial year.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes, all our units operate in compliance with the applicable environmental laws/ regulations/ guidelines and rules made thereunder.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

(in KWH)

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	13,47,702	12,82,659
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**13,47,702**	**12,82,659**
From non-renewable sources		
Total electricity consumption (A)	18,59,008	19,33,805
Total fuel consumption (B)	24,698	35,135
Energy consumption through other sources (C)	0	0
Total energy consumed from non-renewable sources (A+B+C)	**18,83,706**	**19,68,940**

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment *(in kilolitres)*		
(i) To Surface water		
No treatment	0	0
With treatment - please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**0**	**0**

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: ERIS LIFESCIENCES LTD

(ii) Nature of operations: PHARMACEUTICALS MEDICINE MANUFACTURING UNIT

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) To Surface water	0	0
(ii) To Groundwater	13,545	13,950
(iii) Third-party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	13,545	13,950
Total volume of water consumption (in kilolitres)	13,545	13,950
Water intensity per rupee of turnover (Water consumed / turnover)	0.0001%	0.0001%
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**0**	**0**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Company is progressing year on year in emission monitoring. Going forward, we aim to conduct scope 3 emission calculations across the value chain.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.- Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Please refer the Management Discussion and Analysis Report.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:

Yes. We have a Disaster Management Plan that covers crucial information like factory layout plan, objectives, process, process hazards and their control measures, natural disasters control measures, Environment Impact Assessment Plan, Emergency Evacuation plan, Emergency declaration procedures, Plant safe shut down procedures, and Emergency action plan.

The company has also specified necessary roles, medical arrangements, training programs and crucial mutual help telephone numbers to ensure smooth operation in the event of an emergency.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not applicable

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None of the value chain partners have been assessed for environmental impacts during the financial year under review.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

We are not affiliated to any trade and Industry chambers / associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to. – Not applicable.

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

We are committed to conduct our business in a fair and transparent manner. We operate in a way that does not violate any laws or regulations and also promote fair competition in the industry. No such adverse orders were received from any regulatory authorities based on anti-competitive conduct in the reporting year.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

- India-specific studies to generate relevant evidence
- Patient care initiatives for precision diagnosis
- Evidence based treatment
- Early detection and regular monitoring

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

During the year under review, the Company was not required under applicable laws to undertake any Social Impact Assessment.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

As none of the green field or other projects of the company resulted in the displacement of any local residents, no Rehabilitation or Resettlement was necessary during the year under review.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a grievance mechanism in place and any member in the community can reach out to the Company by writing their grievances on the email IDs placed on the Company's website at the link mentioned below: -

https://eris.co.in/corporate-governance/

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	35.38%	28.09%
Sourced directly from within the district and neighbouring districts	5.25%	4.65%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

During the year under review, the Company did not undertake any CSR projects in designated aspirational districts.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The entity is keen to procure from marginalised / vulnerable groups. However, the nature of the pharmaceutical industry and strict emphasis of the regulators on the quality, mechanisations of manufacturing processes make the upstream manufacturing processes extremely capital and technology intensive. The entry barrier resulting thereby keeps marginalised / vulnerable groups away from the API industry. As and when such an opportunity will arise in future, the entity will be receptive towards considering it.

(b) From which marginalized /vulnerable groups do you procure? – Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Though difficult to quantify, the insights and supports provided in the traditional knowledge is immensely useful in the evaluation of commercial in-licensing proposals that are related to phytopharmaceuticals or in proprietary formulations with such plant-based ingredients.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Not applicable

6. Details of beneficiaries of CSR Projects/Programs:

Sr. No.	CSR Project/Programs	No. of persons benefitted from CSR Projects / Programs	% of beneficiaries from vulnerable and marginalized groups
Refer Management Discussion and Analysis Report starting from page no 30.			

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company possesses a comprehensive mechanism to handle complaints regarding product quality. Upon receiving a complaint, it is duly recorded in the system, and the person filing the complaint is promptly acknowledged. Subsequently, an initial evaluation is conducted, followed by the initiation of a sample investigation. This investigation takes place concurrently with the initial risk assessment and inquiry process. Once the investigation concludes, a plan for corrective action is set in motion, and a summary report detailing the complaint is submitted. A final risk assessment is then performed, and a response is sent to the complainant. Finally, the complaint is closed.

We have both online and offline mechanisms to receive feedbacks and address complaints.

Online mechanisms include:

- Dedicated email id - patientsafety@erislifesciences.com
- Dedicated customer care toll free number – 18002700390
- Dedicated web page on our website for Adverse Event Reporting
- Web link: https://eris.co.in/adverse-event-reporting/

For offline reporting of adverse events, we have placed a form on our website where it can be downloaded and posted at our corporate office address.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	05	The products were recalled owing to our commitment for upholding the highest standards of quality.
Forced recalls	0	Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.

Yes, we have established a comprehensive framework and policy to effectively manage cyber security and mitigate risks related to data privacy. Through proactive measures, such as stringent protocols, guidelines, and regular security audits, it ensures the protection of sensitive information from unauthorized access and potential cyber threats.

Additionally, we have also prioritized employee training programs, encryption techniques, access controls, and incident response plans to uphold the confidentiality, integrity, and availability of valuable data assets. Our information security policy is available to all our employees through our intranet platform.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such incidents were reported.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on products of the Company can be accessed on its website at: https://eris.co.in/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company complies with applicable regulatory obligations by providing stakeholders with information regarding the safe and responsible use of its products. Products are usually accompanied by an informative label that informs consumers about various aspects, including pharmacokinetics, safe usage instructions, composition, mechanism of action, clinical pharmacology, product interactions, side effects, and recommended storage conditions, among others.

Furthermore, the Company organizes various programs aimed at educating healthcare professionals (HCPs) ad patients on the responsible utilization of our products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Since the Company operates in the pharmaceutical industry, there are several other pharmaceutical companies offering similar products. Therefore, the discontinuation of any of the Company's products does not have a significant impact on the larger communities.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief.

The label contents being highly regulated, it is not feasible to provide more product information over and above the mandate of law.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company maintains continuous engagement with its Consumers, Doctors and other Healthcare professionals and takes their feedback on the products.

5. Provide the following information relating to data breaches:

a. **Number of instances of data breaches along-with impact-** We have not witnessed any data breaches.

b. **Percentage of data breaches involving personally identifiable information of customers-** NA

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Eris Lifesciences Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Eris Lifesciences Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2023, 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 standalone 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 2023, 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 standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Assessment of impairment of non-current investments in wholly owned subsidiary Aprica Healthcare Limited.** (Refer note 3.4 to the Standalone Financial Statements.)	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of existence of indicators of impairment and where applicable determination of recoverable amounts to measure the impairment provision that needs to be accounted for.

	The Company has investments aggregating to Rs. 2,264.24 million in Aprica Healthcare Limited (AHL), a wholly owned subsidiary. These investments are accounted for at cost less impairment, if any in the Standalone Balance Sheet as at 31 March 2023. The net worth of AHL is lower than the carrying value of the investments. The Company has accordingly tested the carrying value of investments in AHL for impairment. The Company's evaluation of impairment of its investment involves the comparison of recoverable value to their corresponding carrying values in the Company. The Company used the discounted cash flow model to estimate recoverable values, which requires management to make estimates and assumptions related to forecasts of future revenues and operating margins, and discount rates. Changes in these assumptions could have a significant impact on either the recoverable value or the amount of any impairment charge, or both with a consequent impact on the Standalone Financial Statements of the Company. In view of the foregoing, valuation and allocation of investment in AHL has been identified as a Key Audit Matter.	2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out the valuation of AHL and reviewed the valuation report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates and retrospective review of the projections (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation model used by the management's expert and testing the underlying assumptions related to the discount rates and the terminal growth rates applied to the forecasted cashflows to determine the recoverable values.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report in Annual Report for the year ended March 31, 2023, but does not include the standalone financial statements, Consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid standalone 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements.

   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 standalone financial statements - Refer Note 33 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 37 (B) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the note 37 (B) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAG4517)

Place: Ahmedabad
Date: May 17, 2023

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 with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Eris Lifesciences Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 with reference to standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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)

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAG4517)

Place: Ahmedabad
Date: May 17, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF ERIS LIFESCIENCES LIMITED

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

i. (a). A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b). Some of the Property, Plant and Equipment and Right of use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c). Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (Other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d). The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e). No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (As amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. The Company is in the process of creating security for loans amounting to Rs. 1250 Millions In our opinion and according to the information and explanations given to us, the quarterly statements comprising of stock statements, book debt statements, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with unaudited books of account of the Company of the respective quarters.

(iii). The Company has made investments in, provided guarantee and granted unsecured loans to companies and other party during the year.

(a). The Company has provided loans, stood guarantee, or provided security during the year and details of which are given below:

(₹ in million)

	Loan	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	4,277.50	6,050.00
- Others	9.23	0.00
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries	1,158.94	6,050.00
- Others	9.64	0.00

* The amounts reported are at gross amounts, without considering provisions made.

(b). The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c). The Company has granted loans that are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below).

(d). According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e). No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f). The Company has granted Loans which are repayable on demand details of which are given below:

	All Parties*	Related Parties*	Others*
Aggregate of loans -Repayable on demand (A)	4,286.73	4,277.50	9.23
Percentage of loans to the total loans	100%	99.78%	0.22%

* The amounts reported are at gross amounts, without considering provisions made.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be Deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence, reporting under clause (v) of paragraph 3 of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

In respect of statutory dues:

(a). Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b). Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. in millions)	Amount Unpaid (Rs. in millions)
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2016-2017	0.80	0.80
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2017-2018	0.26	0.26

(vii). There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(viii).

(a). In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b). The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c). To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d). On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.

(e). On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f). The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(ix). a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the paragraph 3 of the order is not applicable.

b. During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of paragraph 3 of order is not applicable to the Company.

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

b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of report.

(xi). The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the order is not applicable.

(xii). In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiii). a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b. We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2022 and the draft of the internal audit reports where issued after the balance sheet date covering the period January 2023 to March 2023 for the period under audit.

(xiv). In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of it's subsidiary companies or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xv). a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the order is not applicable.

b. The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable

(xvi). The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xvii). There has been no resignation of the statutory auditors of the Company during the year.

(xviii). On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xix). The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the order is not applicable for the year.

For Deloitte Haskins and Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No.116642)
(UDIN - 23116642BGWGAG4517)

Place: Ahmedabad
Date: May 17, 2023

STANDALONE BALANCE SHEET

as at March 31, 2023

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS :			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2(a)	1,058.00	998.30
(b) Right-of-use asset	2(a)	465.99	461.84
(c) Goodwill	2(b)	166.60	166.60
(d) Other Intangible assets	2(b)	7,287.54	4,793.29
(e) Intangible assets under development	2(b)	3.43	29.82
(f) Financial assets			
Investments	3	9,665.15	6,781.76
Loans	10	749.36	28.20
Other financial asset	5	64.40	43.85
(g) Income tax assets (net)	4(d)	34.87	34.67
(h) Deferred tax assets (net)	4(f)	2,737.84	2,361.11
(i) Other non-current assets	6	82.65	4.63
Total Non Current Assets		**22,315.83**	**15,704.07**
(2) Current Assets			
(a) Inventories	7	636.99	847.91
(b) Financial assets			
Investments	3	300.05	995.46
Trade receivables	8	2,292.18	1,375.55
Cash and cash equivalents	9(a)	474.82	447.04
Other bank balances	9(b)	1.67	14.01
Loans	10	432.26	522.10
Other financial asset	5	6.97	673.14
(c) Other current assets	6	1,375.81	924.88
Total Current Assets		**5,520.75**	**5,800.09**
TOTAL - ASSETS		**27,836.58**	**21,504.16**
(1) Equity			
(a) Share capital	11	135.99	135.93
(b) Other Equity	12	22,082.85	19,049.63
Total Equity		**22,218.84**	**19,185.56**

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
(a) Financial Liabilities			
Borrowings	13	2,094.71	-
Lease Liabilities	14	356.76	345.04
(b) Long-term provisions	15	310.32	288.38
(c) Other non-current liabilities	16	18.21	22.82
Total Non Current Liabilities		**2,780.00**	**656.24**
(3) Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	1,074.00	-
Lease Liabilities	14	55.39	36.73
Trade payables	17		
A) Due to Micro and Small Enterprises		118.05	41.49
B) Due to other than Micro and Small Enterprises		712.69	926.21
Other financial liabilities	14	84.42	59.81
(b) Short-term provisions	15	584.58	377.82
(c) Other current liabilities	16	170.53	169.52
(d) Income tax liabilities (net)	4(e)	38.08	50.78
Total Current Liabilities		**2,837.74**	**1,662.36**
Total Liabilities		**5,617.74**	**2,318.60**
TOTAL - EQUITY AND LIABILITIES		**27,836.58**	**21,504.16**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
REVENUE:			
Revenue from operations			
Sale of products	18	13,071.20	11,937.73
Other operating income		236.05	219.57
Total Revenue from Operations		**13,307.25**	**12,157.30**
Other income	19	172.64	289.89
Total Revenue (I)		**13,479.89**	**12,447.19**
EXPENSES:			
(a) Cost of materials consumed	20	1,141.27	1,175.73
(b) Purchases of stock-in-trade		1,137.56	795.88
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	85.01	24.90
(d) Employee benefits expense	22	2,525.20	2,201.09
(e) Other expenses	23	3,367.07	3,119.75
Total (II)		**8,256.11**	**7,317.35**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,223.78**	**5,129.84**
Finance costs	24	208.10	29.91
Depreciation and amortisation expense	2 (c)	646.57	514.55
Profit before tax		**4,369.11**	**4,585.38**
Tax expenses :			
(a) Current tax	4	764.96	801.72
(b) Deferred tax		(375.93)	(388.26)
Total tax expense		**389.03**	**413.46**
Profit for the year		**3,980.08**	**4,171.92**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(2.29)	(15.44)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		0.80	5.39
		(1.49)	**(10.05)**
Total Comprehensive Income for the year		**3,978.59**	**4,161.87**

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Earnings per equity share of face value ₹ 1 each			
Basic (₹)	25	29.27	30.70
Diluted (₹)		29.23	30.70

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in million)

Particulars	For the year ended March 31,2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	4,369.11	4,585.38
Adjustments for :		
Depreciation and amortisation expense	646.57	514.55
Net Loss w property plant and equipment sold/written off	8.01	42.54
Finance costs	208.10	29.91
Interest income	(82.77)	(99.09)
Provision / (Reversal) for doubtful debt / other financial assets	1.99	(1.52)
Bad debt written off	-	0.02
Deferred Capital Subsidy	(4.78)	(4.83)
Net gain on sale of investments carried at fair value through profit or loss	(71.27)	(21.73)
Net MTM gain on investments carried at fair value through profit or loss	(0.05)	(144.36)
Gain from termination of lease	-	(18.68)
Share based payment expense	31.21	13.55
Operating profit before working capital changes	**5,106.12**	**4,895.74**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(916.63)	(237.98)
Inventories	210.92	(199.45)
Other assets	(514.29)	(140.07)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(136.86)	100.47
Financial Liabilities	24.29	(20.60)
Provisions	226.41	91.21
Other Liabilities	1.18	33.80
Cash generated from operations	4,001.14	4,523.12
Net income tax paid	(777.86)	(829.00)
Net cash flow from operating activities (A)	**3,223.28**	**3,694.12**

(₹ in million)

Particulars	For the year ended March 31,2023	For the year ended March 31, 2022
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(3,112.65)	(532.83)
Proceeds from sale of property plant and equipment	1.29	7.58
Consideration paid towards investment in subsidiaries	(7,054.91)	(250.08)
Investments in mutual funds and fixed deposit	(300.00)	(2,676.49)
Proceeds from redemption of mutual funds and fixed deposit	5,853.39	795.87
Proceeds from redemption of investments in Bonds of subsidiaries	-	50.00
Loan given to Subsidiaries	(4,327.08)	(38.03)
Loan repaid by Subsidiaries	3,479.40	46.41
Repayment of loan given to others received	223.60	3.08
Loan to Others given	(9.23)	(159.15)
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	12.34	(0.91)
Interest income	100.89	78.19
Net cash used in investing activities (B)	**(5,132.96)**	**(2,676.36)**
C. Cash flow from financing activities		
Proceeds from borrowings	6,668.71	-
Repayment of borrowings	(3,500.00)	-
Proceeds of borrowings from subsidiary	325.00	-
Repayment of borrowings to subsidiary	(325.00)	-
Finance costs	(206.53)	(26.98)
Principal element to lease payment	(48.39)	(112.95)
Proceeds from issue of equity share capital (Employee stock options plan)	22.78	67.45
Share application money	-	4.51
Dividend paid	(999.11)	(816.23)
Net cash flow from / (used in) financing activities (C)	**1,937.46**	**(884.20)**
Net increase in cash and cash equivalents (A+B+C)	**27.78**	**133.56**
Cash and cash equivalents at the beginning of the year	447.04	313.48
Cash and cash equivalents at end of the year {Refer note-9(a)}	474.82	447.04

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹ in million)

Cash on hand	0.13	0.78
Balance with banks		
In Current Account	431.75	341.10
Cheque in hand	42.94	105.16
Cash and Cash Equivalents as per Cash flow statement	474.82	447.04

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

A. Equity Share Capital (₹ in million)

Particulars (refer note-11)	Amount
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**
Change in Equity Share Capital	0.06
As at March 31, 2023	**135.99**

B. Other Equity (₹ in million)

Particulars (refer note-12)	Retained Earnings	Security Premium	Share based payment reserve	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2021	**15,577.39**	**-**	**39.76**	**-**	**1.74**	**15,618.89**
Add: Profit for the year	4,171.92	-	-	-	-	4,171.92
Less: Payment of Dividend	(816.48)	-	-	-	-	(816.48)
Add: Other comprehensive Income for the year	(10.05)	-	-	-	-	(10.05)
Add: Pursuant to Issue of share capital on account of exercie of options	-	67.29	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-
Add: Share based payments to employees of the company	-	-	13.55	-	-	13.55
As at March 31, 2022	**18,922.78**	**106.13**	**14.47**	**4.51**	**1.74**	**19,049.63**
Add: Profit for the year	3,980.08	-	-	-	-	3,980.08
Less: Payment of Dividend (Refer note 11.6)	(999.31)	-	-	-	-	(999.31)
Add: Other comprehensive Income for the year	(1.49)	-	-	-	-	(1.49)
Add: Pursuant to Issue of share capital on account of exercise of options	-	27.24	-	(4.51)	-	22.73
Less: Transfer on account of exercise of options	-	17.64	(17.64)	-	-	-

(₹ in million)

Particulars (refer note-12)	Retained Earnings	Security Premium	Share based payment reserve	Share application money pending allotment	Capital redemption reserve	Total Other Equity
Add: Share based payments to employees of the company	-	-	31.21	-	-	31.21
As at March 31, 2023	**21,902.06**	**151.01**	**28.04**	**-**	**1.74**	**22,082.85**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at Shivarth Ambit, Plot No. 142/2, Ram Das Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380 054, Gujarat, India. The Company is engaged in the manufacture and marketing of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116
- Long term borrowings at amortised cost using the effective interest rate method
- Share based payments are measured at fair value
- Assets acquired and liabilities assumed as part of business combination are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. . Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Critical Accounting Judgements And Key Sources of Estimation Uncertainty

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Sales returns (refer note 1.3)
- Useful lives of property, plant and equipment (refer note 1.4)
- Useful lives of intangible assets (refer note 1.5)
- Business Combination (refer note 1.6)
- Impairment of asset (refer note 1.8 & 3.4)
- Valuation of inventories (refer note 1.9)
- Employee benefits (refer note 1.13)
- Valuation of deferred tax assets (refer note 1.14)
- Provisions & contingent liabilities (refer note 1.15)
- Employee Stock Option Plan (refer note 35)

1.3 Revenue recognition:

a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer.

Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.

At the time of recognising provision for sales return Expected reimbursement towards likely sales return is recognied, which is included in other current assets for the products expected to be returned. The Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation and impairment loss, if any. All costs attributable to acquisition/ construction of Property, Plant and Equipment

till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss. Depreciation is recognised on straight line method based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. In case of addition to building, depreciation is provided on the balance useful life available for use. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use. In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improve-ments	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

1.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and

economic conditions.

The estimated useful lives of intangibles are as mentioned below

Type of intangible assets	Useful life
Trademark/Brands	Upto 20 years
License Fees	From 3 to 15 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.6 Business combinations and Goodwill

1.6.1 Business combinations

Business Combinations are accounted for using the acquisition method of accounting. The acquisition date is the date on which control is transferred to the acquirer.

The consideration transferred for the acquisition of a subsidiary is comprised of:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary

The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.6.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.7 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i. Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investment – The company measures equity investments other than investments in subsidiaries at FVTPL in accordance with the requirements of IND AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL).

For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual fund - All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

iv. Investment in Subsidiaries - Investment in subsidiaries are carried at cost in the financial statements as per IND AS 27.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.8 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash

flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.9 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.10 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the company's cash management.

1.11 Borrowings cost:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.12 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the profit or loss attributable to the owners of the company by weighted average number of equity shares considered for deriving basic earning per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.13 Employee Benefits:

(A) Defined contribution plan: The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.14 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.16 Leases:

Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer Note 33)

Lease liability and Right of use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.17 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.18 Government Grant:

Government grants relating to the purchase of property , plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.19 Perpetual bond:

The company invests in unsecured subordinated perpetual securities. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

1.20 Share-based payment transactions:

Employees Stock Options Plans (ESOP) : Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below.

Amendments to existing Ind AS:

Ind AS 1 – Presentation of Financial Statements

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of this amendment is insignificant in the company's financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment :

(₹ in million)

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electrical Installation	Lease hold impro-vements	Total	Right of use asset (Refer note 34)*
Gross carrying amount:										
As at March 31, 2021	**22.98**	**325.97**	**354.98**	**188.52**	**413.66**	**170.22**	**36.12**	**-**	**1,512.45**	**182.77**
Additions during the Year	-	-	2.37	3.66	310.76	68.82	-	84.80	470.41	494.61
Deductions during the Year	-	-	-	1.01	212.10	104.41	0.24	-	317.76	172.23
As at March 31, 2022	**22.98**	**325.97**	**357.35**	**191.17**	**512.32**	**134.63**	**35.88**	**84.80**	**1,665.10**	**505.15**
Additions during the year	-	38.84	0.27	52.51	185.83	-	-	5.88	283.33	87.37
Deductions during the year	-	-	0.26	1.13	98.30	-	-	-	99.69	-
As at March 31, 2023	**22.98**	**364.81**	**357.36**	**242.55**	**599.85**	**134.63**	**35.88**	**90.68**	**1,848.74**	**592.52**
Accumulated depreciation:										
As at March 31, 2021	**-**	**94.65**	**178.80**	**99.58**	**300.45**	**96.79**	**13.82**	**-**	**784.09**	**159.31**
Depreciation for the Year	-	8.13	16.36	12.75	87.63	19.07	2.54	3.92	150.40	42.41
Deductions during the Year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	**-**	**102.78**	**195.16**	**111.46**	**210.52**	**26.84**	**16.12**	**3.92**	**666.80**	**43.31**
Depreciation for the year	-	8.63	16.14	15.40	145.66	15.34	2.50	10.66	214.33	83.22
Deductions during the year	-	-	0.26	0.66	89.47	-	-	-	90.39	-
As at March 31, 2023	**-**	**111.41**	**211.04**	**126.20**	**266.71**	**42.18**	**18.62**	**14.58**	**790.74**	**126.53**
Net carrying amount										
As at March 31, 2022	**22.98**	**223.19**	**162.19**	**79.71**	**301.80**	**107.79**	**19.76**	**80.88**	**998.30**	**461.84**
As at March 31, 2023	**22.98**	**253.40**	**146.32**	**116.35**	**333.14**	**92.45**	**17.26**	**76.10**	**1,058.00**	**465.99**

* Right of use asset consists of lease hold buildings.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand/ License fees*	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2021	**166.60**	**5,181.11**	**50.00**	**75.82**	**5,306.93**
Additions during the year	-	125.00	-	65.22	190.22
Deductions during the Year	-	-	-	-	-
As at March 31, 2022	**166.60**	**5,306.11**	**50.00**	**141.04**	**5,497.15**
Additions during the year	-	2,811.49	-	31.78	2,843.27
Deductions during the year	-	-	-	-	-
As at March 31, 2023	**166.60**	**8,117.60**	**50.00**	**172.82**	**8,340.42**
Accumulated Amortisation:					
As at March 31, 2021	**-**	**317.17**	**46.46**	**18.49**	**382.12**
Amortisation for the Year	-	297.37	3.54	20.83	321.74
As at March 31, 2022	**-**	**614.54**	**50.00**	**39.32**	**703.86**
Amortisation for the year	-	323.03	-	25.99	349.02
As at March 31, 2023	**-**	**937.57**	**50.00**	**65.31**	**1,052.88**
Net carrying amount					
As at March 31, 2022	**166.60**	**4,691.57**	**-**	**101.72**	**4,793.29**
As at March 31, 2023	**166.60**	**7,180.03**	**-**	**107.51**	**7,287.54**
Intangible assets under development					
As at March 31, 2022	-	-	-	**29.82**	**29.82**
As at March 31, 2023	-	-	-	**3.43**	**3.43**

Note:

Intangible assets under development:

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Ageing Schedule (₹ in million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		**-**	**-**	**-**	**3.43**	**3.43**
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Total		**14.27**	**12.12**	**3.43**	**-**	**29.82**

Intantible assets under development - Completion Schedule (₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total		**-**	**3.43**	**-**	**-**	**3.43**
Projects in progress	March 31,2022	26.39	-	3.43	-	29.82
Total		**26.39**	**-**	**3.43**	**-**	**29.82**

1. The Company tests impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related. Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 166.60 millions generated on acquisition of brands.

The key assumptions for CGUs with significant amount of goodwill as follows:

Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors. The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

(c) Depreciation and amortisation expense : (₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property plant and equipment	214.33	150.40
Depreciation of right of use assets	83.22	42.41
Amortisation of intangible assets	349.02	321.74
Total	**646.57**	**514.55**

* Trademark/ Brand/ License fees addition during the year includes ₹ 2,750 million for acquisition of 9 brands of Dr. Reddy's Laboratories Limited. (Refer note 27.3)

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 3: Investments

(₹ in million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Non current investments				
(I) At cost				
(A) Investment in subsidiaries				
(a) In equity instruments of subsidiaries (unquoted) (fully paid up) (Refer note 26)				
Equity shares of ₹10 each held in Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited) (Refer note 3.3 below)	182,504	56.92	182,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Refer note 3.4 & 27.2)	9,512,023	2,064.24	7,345,361	1,166.32
Equity shares of ₹10 each held in Eris Healthcare Private Limited (Refer note 27.2)	10,000	2.08	4,333,331	900.00
Equity shares of ₹10 each held in Eris Therapeutics Limited	10,000	0.10	10,000	0.10
Equity shares of ₹10 each held in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27.1)	184,052,259	6,554.90	-	-
(b) In preference shares of subsidiaries (unquoted) (fully paid up)				
0.01% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹100 each held in Eris Therapeutics Limited	2,475,000	249.98	2,475,000	249.98
8% Optionally convertible Non-Cumulative Redeemable Preference shares of ₹1 each at a premium of ₹44 each held in Eris M.J. Biopharm Private Limited	11,111,334	500.01	-	-
0.01% Compulsory convertible Non-Cumulative Redeemable Preference shares of ₹10 each held in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27.1)	32	-	-	-
(c) In Unsecured Perpetual Securities of subsidiaries (Unquoted) (Refer note 3.2 below)				
Sub Total A=(a+b+c)		**9,628.23**		**2,573.32**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
(B) Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.00	500	5.29
Sub Total B		**5.00**		**5.29**
Sub Total (I) = A+B		**9,633.23**		**2,578.61**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	-	-	347,183	426.11
ABSL Banking PSU Fund Growth Direct	-	-	407,032	123.87
HDFC Ultra Short Fund Direct Growth	-	-	62,559,806	776.54
HDFC Floating Rate Income Fund Direct Plan Growth	-	-	9,974,232	399.92
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	-	-	847,618	371.01
ABSL Floating Rate Fund -Growth Direct	-	-	1,292,840	366.58
Kotak Savings Fund Direct Plan Growth	-	-	11,769,499	424.06
SBI Magnum Ultra Short Duration Fund - Growth Direct	-	-	164,707	806.58
IDFC Corporate Bond Fund Direct Plan Growth	-	-	29,698,080	476.36
	-	**-**	**-**	**4,171.03**
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.10	1,000	1.18
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.11	1,000	1.16
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.09	1,000	1.16
		3.30		**3.50**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	381,588	28.62	381,588	28.62
		28.62		**28.62**
Sub Total (II) = A+B+C		**31.92**		**4,203.15**
Total (I)+(II)		**9,665.15**		**6,781.76**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
Current investments				
(I) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted) (Refer note 3.1 below)				
SBI Overnight Fund Direct Growth	82,221	300.05	-	-
SBI Premier Liquid Fund Direct Growth	-	-	171,801	572.63
HDFC Liquid Fund Direct Plan Growth Option	-	-	101,041	422.83
Total (I)		**300.05**		**995.46**
Aggregate carrying value of quoted investments		3.30		3.50
Aggregate market value of quoted investments		3.30		3.50
Aggregate carrying value of unquoted investments		9,961.90		7,773.72

3.1 Details of pledged securities:

Include ₹ Nil million (31-03-2022 - ₹350.00 million) marked under lien against overdraft facilities availed by the company.

3.2 Details of perpetual securities:

In the financial year 2018-19, the company has invested in unsecured subordinated perpetual securities issued by Aprica Healthcare Limited , its subsidiary company. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. No interest will be payable if the issuer does not pay any dividend on its ordinary shares for the Financial Year. The issuer has classified these instruments as equity under Ind AS 32 Financial Instruments presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

3.3 Lock in period for Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited)

As per share purchase & shareholders agreement, For a period of 10 (ten) years , Eris Lifesciences Limited and M.J. Biopharm Private Limited shall not, directly or indirectly, transfer or attempt to transfer all or any of the Equity Shares (or any interest therein) held by it to any Person.

3.4 The networth of this subsidiary is less than the total exposure of the Company in the said subsidiary as at March 31, 2023. However in view of the strategic nature of the investment in this Company and also considering the future business plans and cash flow projections of the Company the same is valued at cost and no impairment allowance is required to be provided for.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for the year	764.96	801.72
Deferred tax:		
Deferred tax (benefit) for the year	(375.93)	(388.26)
	389.03	413.46
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(0.80)	(5.39)
	(0.80)	(5.39)
(c) Reconciliation of tax expense :		
Profit before income taxes	4,369.11	4,585.38
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,526.74	1,602.32
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.82	65.48
Effect of income exempt from taxation	(1.47)	(1.23)
Tax incentives	(1,270.11)	(1,272.57)
Adjustment of current tax of prior year	0.03	(9.50)
Others (net)	67.22	23.57
Adjusted income tax expense	388.23	408.07
Effective Tax Rate	8.89%	8.90%
(d) Income Tax Assets :		
Opening Balance	34.67	34.63
Add: Tax paid in advance, net of provisions/(Refund) during the year	0.20	0.04
Closing Balance	**34.87**	**34.67**
(e) Income Tax Liabilities :		
Opening Balance	50.78	75.07
Add: Prior period adjustment	1.89	(6.55)
Add: Current tax payable for the year	764.93	811.22
Less: Taxes paid	(779.52)	(828.96)
Closing Balance	**38.08**	**50.78**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022
(f) Deferred tax assets/ liabilities :		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	71.18	69.87
Minimum Alternate Tax credit entitlement	3,848.38	3,369.95
Employee benefits	53.51	43.55
Fair Valuation of Investment	1.51	-
Other	16.81	23.66
	3,991.39	**3,507.03**
Deferred tax liabilities		
Intangible assets	1,253.55	1,092.13
Fair Valuation of Investment	-	53.79
	1,253.55	**1,145.92**
Total	**2,737.84**	**2,361.11**

(₹ in million)

Particulars	Property, plant and equipments	Minimum Alternate Tax credit entitlement	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :							
At March 31, 2021	134.26	2,768.02	53.10	(1,000.70)	(4.53)	17.32	1,967.47
Charged/(Credited)							
- To Profit or Loss	64.39	(601.93)	14.94	91.43	49.26	(6.34)	(388.25)
- To other comprehensive Income	-	-	(5.39)	-	-	-	(5.39)
At March 31, 2022	**69.87**	**3,369.95**	**43.55**	**(1,092.13)**	**(53.79)**	**23.66**	**2,361.11**
Charged/(Credited)							
- To Profit or Loss	(1.31)	(478.43)	(9.16)	161.42	(55.30)	6.85	(375.93)
- To other comprehensive Income	-	-	(0.80)	-	-	-	(0.80)
At March 31, 2023	**71.18**	**3,848.38**	**53.51**	**(1,253.55)**	**1.51**	**16.81**	**2,737.84**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Security deposits	64.40	43.85
	64.40	**43.85**
Current		
Insurance claim receivable	0.49	0.54
Fixed Deposits	-	618.99
Interest accrued	0.29	18.27
Security deposits	1.13	29.59
Claims and Other receivables		
- Considered Good	5.06	5.75
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	6.97	**673.14**
Total	**71.37**	**716.99**

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital Advances	10.90	4.63
Claims and Other receivables (Refer note 33)	50.00	-
Prepaid expenses	21.75	-
	82.65	**4.63**
Current		
Prepaid expenses	124.14	185.10
Balances with government authorities		
Goods and services tax credit receivable	639.59	151.22
Others	3.04	4.36
Expected Reimbursement Towards Likely Sales Return (Refer note 1.3b and note 15)	45.00	-
Advances to supplier	560.80	584.00
Advances to employees	3.24	0.20
	1,375.81	924.88
Total	**1,458.46**	**929.51**

Hypothecated against working capital loan.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 7: Inventories

(At lower of cost and net realisable value) (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material and Packing Material {including goods-in-transit ₹10.90 millions (March 31, 2022 - ₹ 11.83 millions)}	266.51	387.84
Work-in-progress	35.18	19.78
Finished goods	149.12	232.51
Stock-in-trade {including goods-in-transit ₹6.81 millions (March 31, 2022- ₹ 35.72 millions)}	182.74	199.76
Stores, spares & consumables	3.44	8.02
Total	**636.99**	**847.91**

Hypothecated against working capital loan.

Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Considered good	-	-
Unsecured Considered good	2,292.18	1,375.55
Trade Receivables which have significant increase in Credit Risk	17.09	17.09
Trade Receivables-credit impaired	8.09	8.09
	2,317.36	**1,400.73**
Less: Allowance for doubtful debt (expected credit loss)	25.18	25.18
Total	**2,292.18**	**1,375.55**

No dues from directors.

For dues from subsidiaries please refer note 30.

Hypothecated against working capital loan.

(₹ in million)

Movements in allowance for doubtful trade receivables	As at March 31, 2023	As at March 31, 2022
Opening Balance	25.18	25.18
Add : Provision during the year	-	-
Less : Utilisation during the year	-	-
Closing Balance	**25.18**	**25.18**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Trade Receivable ageing schedule: (₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	March 31,2023	-	2,279.94	6.02	3.06	3.16	-	-	2,292.18
	March 31,2022	-	1,082.89	290.38	2.14	0.14	-	-	1,375.55
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	17.09	-	-	17.09
	March 31,2022	-	-	17.09	-	-	-	-	17.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	0.09	0.80	7.20	8.09
	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
Total	**March 31,2023**	**-**	**2,279.94**	**6.02**	**3.06**	**20.34**	**0.80**	**7.20**	**2,317.36**
	March 31,2022	**-**	**1,082.89**	**307.47**	**2.14**	**0.73**	**5.28**	**2.22**	**1,400.73**

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Cash on hand	0.13	0.78
Balances with banks in current accounts*	431.75	341.10
Cheque in hand	42.94	105.16
	474.82	447.04
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender Deposit	1.67	14.01
Total	**476.49**	**461.05**

*Includes Unclaimed Dividend of ₹ 1.05 million (Previous year ₹ 0.76 million).

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	739.72	-
To others	9.64	28.20
	749.36	**28.20**
Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30)	419.22	311.26
To others	13.04	210.84
Loans Receivables from others which have significant increase in Credit Risk	5.66	3.67
Loans Receivables - credit impaired	-	-
	437.92	**525.77**
Less: Allowance for doubtful loan to others	(5.66)	(3.67)
	432.26	**522.10**
Total	**1,181.62**	**550.30**

Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,92,238 (Previous year 13,59,30,197) Equity Shares of ₹1 each fully paid up	135.99	135.93
Total	**135.99**	**135.93**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	No. of equity shares	₹ in million
Shares outstanding at March 31, 2021	135,780,653	135.78
Issued during the year (persuant to ESOP - refer Note 35)	149,544	0.15
Shares outstanding at March 31, 2022	135,930,197	135.93
Issued during the year (persuant to ESOP - refer Note 35)	62,041	0.06
Shares outstanding at March 31, 2023	135,992,238	135.99

11.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	55,535,144	40.84%	54,759,132	40.28%
2. Rakeshbhai Bhikhabhai Shah	15,685,981	11.53%	15,684,407	11.54%
3. Bhikhalal Chimanlal Shah	5,868,689	4.32%	8,868,689	6.52%
4. Emerald Investments Limited	10,312,132	7.58%	7,477,132	5.50%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2023			As at March 31, 2022		
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding	% Changes during the year
1. Amit Indubhusan Bakshi	55,535,144	40.84%	1.42%	54,759,132	40.28%	0.11%
2. Rajendrakumar Rambhai Patel	5,939,834	4.37%	0.00%	5,939,834	4.37%	0.00%
3. Inderjeet Singh Negi	5,939,833	4.37%	0.00%	5,939,833	4.37%	0.00%
4. Kaushal Kamleshkumar Shah	4,468,833	3.29%	0.00%	4,468,833	3.29%	0.00%
5. Himanshu Jayantbhai Shah *	-	0.00%	-100.00%	475,801	0.35%	-80.63%

*Vide letter dated June 29, 2022, the BSE Limited and National Stock Exchange of India Ltd. approved the reclassification of Mr. Himanshu Jayantbhai Shah from the 'Promoter' Category to the 'Public' Category. He is holding shares 4,75,801 as on March 31, 2023.

11.4 Terms / Rights attached to the equity shares:

The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 their shareholding.

11.5 Share options granted under the Company's employee share option plan:

The Company recognizes compensation expense relating to share-based payments in statement of profit and loss using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

11.6 Dividend:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 7.35/- (at the rate of 735 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2022-23 at its meeting held on August 5, 2022.

Note 12: Other Equity

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	21,902.06	18,922.77
Securities premium	151.01	106.13
Share Application Money Pending Allottment	-	4.51
Share based payment reserve	28.04	14.48
Capital redemption reserve	1.74	1.74
Total	**22,082.85**	**19,049.63**

Nature and purpose of reserves :

Retained Earnings : Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Share based payment reserve : The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve : The Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

Note 13: Borrowing

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Secured		
From Banks - Term Loan	2,094.71	-
	2,094.71	**-**
Current		
(a) Secured		
Current maturity of long term Loan	524.00	-
From Banks - Working capital Loan	550.00	
	1,074.00	**-**
Total	**3,168.71**	**-**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Term Loans from bank referred above to the extent of :

1. Term Loan of ₹ 2,620 million (previous year ₹ NIL) was obtained from Axis Bank and same is repayable in 20 quarterly instalments starting from June 2023. The loan is secured by way of exclusive charge on the Brand / Trademark acquired on acquisition from Dr Reddy's Laboratories Limited.
2. Working capital Loan of ₹ 550 million (previous year ₹ NIL) are secured by way of current assets.

Charge on Working capital loan is yet to be created.

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Lease Liabilities		
Lease Liabilities	356.76	345.04
	356.76	**345.04**
Current		
(a) Lease Liabilities		
Lease Liabilities	55.39	36.73
	55.39	**36.73**
(b) Other financial liabilities		
Book overdraft *	73.92	49.63
Dividend Payable	1.05	0.76
Interest Accrued	1.57	-
Payable towards purchase of property plant and equipment	7.88	9.42
	84.42	**59.81**
	139.81	**96.54**
Total	**496.57**	**441.58**

* Current assets are hypothecated against WCDL Limit.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	59.65	59.55
Provision for sales returns (Refer note below)	250.67	228.83
	310.32	288.38
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	34.56	33.33
Gratuity	31.01	17.28
Provision for sales returns (Refer note below)	519.01	327.21
	584.58	377.82
Total	**894.90**	**666.20**

Provision for sales returns :

The Company, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms.

At the time of recognising provision for sales return expected reimbursement towards likely sales return is also recognied, which is included in other current assets for the products expected to be returned.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Provision	556.04	447.35
Add : Provision during the year	309.75	355.47
Less : Utilisation during the year	96.11	246.78
Closing Provision	769.68	556.04
Long Term	250.67	228.83
Short Term	519.01	327.21
Total	**769.68**	**556.04**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 16: Other liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred Capital Subsidy Non current*	18.21	22.82
	18.21	**22.82**
Current		
Statutory liabilities	152.94	139.49
Advances from customers	12.92	25.18
Deferred Capital Subsidy Current*	4.67	4.85
	170.53	169.52
Total	**188.74**	**192.34**

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP). It is recognised in statement of profit or loss account over the periods and in the proportions in which depreciation expense on those assets is recognised.

Note 17: Trade payables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Due to micro and small enterprises (refer note- 30,36)	118.05	41.49
Due to others	712.69	926.21
Total	**830.74**	**967.70**

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2023	-	46.42	70.64	0.99	-	-	118.05
	March 31,2022	-	15.59	25.90	-	-	-	41.49
(ii) Others	March 31,2023	-	524.07	180.52	4.19	1.55	2.36	712.69
	March 31,2022	-	640.08	283.64	-	0.04	2.45	926.21
(iii) Disputed dues - MSME	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
Total	**March 31,2023**	**-**	**570.49**	**251.16**	**5.18**	**1.55**	**2.36**	**830.74**
	March 31,2022	**-**	**655.67**	**309.54**	**-**	**0.04**	**2.45**	**967.70**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of products (Refer note 38)	13,071.20	11,937.73
Other operating income		
Goods and Services Tax refund	225.33	206.41
Others	10.72	13.16
	236.05	**219.57**
Total	**13,307.25**	**12,157.30**
Revenue as per contracted price, net of returns	13,477.41	12,325.62
Less : Provision for sales return	309.75	355.47
Less : Scheme, discount and others	96.46	32.42
Revenue from contracts with customers	**13,071.20**	**11,937.73**

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income	82.77	99.09
Net gain on sale of investments	71.27	21.73
Net (loss) / gain on investments carried at fair value through profit or loss	0.05	144.36
Deferred Capital Subsidy (Refer note 16)	4.78	4.83
Gain on termination of lease	-	18.68
Miscellaneous income	13.77	1.20
Total	**172.64**	**289.89**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Raw materials and packing materials		
Opening stock	387.84	168.64
Add: Purchases during the year	1,019.94	1,394.93
Less: Closing stock	(266.51)	(387.84)
Total	**1,141.27**	**1,175.73**

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the beginning of the year		
Stock-in-trade	199.76	198.37
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	452.05	**476.95**
Inventories at the end of the year		
Stock-in-trade	182.74	199.76
Finished goods	149.12	232.51
Work-in-progress	35.18	19.78
	367.04	**452.05**
Net decrease in Stock	**85.01**	**24.90**

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages and bonus	2,244.02	1,963.39
Contribution to provident and other funds (Refer note 28)	124.37	113.27
Share based payments to employees (Refer note 35)	31.21	13.55
Staff welfare expenses	125.60	110.88
Total	**2,525.20**	**2,201.09**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Power and fuel	44.08	40.08
Consumption of stores and spares (Indigenous)	32.39	20.53
Labour and security	27.90	27.69
Testing charges	15.87	8.97
Rent	13.34	26.49
Formulation Development Expense	61.00	327.38
Freight and forwarding	128.18	151.29
Commission	171.71	164.68
Advertising, publicity and awareness	35.53	64.58
Repairs and maintenance	82.62	54.17
Selling and distribution	1,042.30	602.88
Commission and sitting fees to independent directors	16.80	20.73
Representative Allowance	622.01	496.48
Travelling and conveyance	399.51	264.37
Communication	9.70	9.88
Legal and professional	309.55	392.45
Rates and taxes	77.82	70.95
Insurance	9.71	13.96
Payments to auditors (Refer note below)	6.70	4.50
Royalty Expense	4.60	4.30
Corporate social responsibility expenditure (Refer note 31)	75.83	65.43
Loss on property plant and equipment sold/written off	8.55	42.54
Donations	0.08	1.39
Bank charges	1.41	0.60
Bad debt written off	-	0.02
Miscellaneous	169.89	243.41
Total	**3,367.07**	**3,119.75**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory Audit fee	5.15	3.00
Certification fees and other services	1.55	1.50
Total	**6.70**	**4.50**
Certification fees and other services charged, debited to other than profit or loss	2.06	-
Grand Total	**8.76**	**4.50**

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense	177.67	2.94
Interest on Lease Liability	30.43	26.97
Total	**208.10**	**29.91**

Note 25: Earnings per share

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit after tax for the year (₹ in million)	3,980.08	4,171.92
Weighted average number of equity shares outstanding for basic earning per share	135,978,947	135,873,030
Add : Dilutive share -Employees stock options outstanding	189,163	41,464
Weighted average number of equity shares outstanding for diluted earning per share	136,168,109	135,914,494
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	29.27	30.70

Note 26: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the managing director and the company has only one reportable business segment i.e. 'pharmaceuticals'.

Note 27 : Mergers And Acquisition

Note 27.1 : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)

During the year, the Company has completed acquisition of 100% stake in Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) and obtained control on May 12, 2022 from its erstwhile shareholders for a consideration of ₹ 6,554.90 Million (including transaction cost).

Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) business predominantly comprised of brands in Dermatology and Women's Health segments. The acquisition will provide robust growth platform in the areas of Dermatoloy and Cosmetology.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The Company has acquired 18,40,52,259 equity shares and 32 preference shares of Eris Oaknet Healthcare Private Limited at an average rate of ₹35.32 each to make it 100% subsidiary company..

Note 27.2 : Amalgamation and Demerger of subsidiary companies

During the Financial Year 2022-23, on December 23, 2022 Honorable National Company Law Tribunal has approved the scheme of arrangement ("the Scheme") under section 230 and 232 of the Companies Act, 2013. Pursuant to the Scheme, one of the divisions of Eris Healthcare Private Limited (EHPL) - a wholly owned subsidiary of Eris Lifesciences Limited (the "Company") as represented by certain brands and related assets and liabilities (the Acquired Business) is demerged and merged into Aprica Healthcare Limited (AHL) - a wholly owned subsidiary of the Company with effect from April 1, 2021.

In consideration of the demerger of Acquired Business of and vesting of EHPL with and into AHL and in terms of the Scheme, AHL has issued and alloted to the equity shareholders of EHPL i.e. the Company, Equity Shares of face value Rs. 10 each credited as fully paid up of AHL in the ratio of 1 Equity Share of the face value of Rs. 10 each of AHL for every 2 equity shares of Rs. 10 credited as fully paid-up held by the Company in EHPL before capital reduction.

The below table gives the overall movement in the investments held by the Company in the above 2 wholly owned subsidiaries on account of the scheme:

Particulars	Investment in the equity share capital of ₹ 10 each of AHL		Investment in the equity share capital of ₹ 10 each of EHPL	
	No. of shares	Amount (₹ in million)	No. of shares	Amount (₹ in million)
Investment before demerger	73,45,361	1,166.32	43,33,331	900.00
Increase / (Decrease) due to demerger	21,66,662	897.92	(43,23,331)	(897.92)
Investment after demerger	95,12,023	2,064.24	10,000	2.08

Note 27.3 : Acquisition of Brands of Dr. Reddy's Laboratories Limited

During the year, the Company has completed acquisition of 9 brands of Dr. Reddy's Laboratories Limited for a consideration of ₹ 2,750 Million.

Note 28: Employee Benefit Plans

A) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹81.56 million (Previous Year ₹75.83 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized ₹2.40 million (Previous year ₹2.89 million) for ESIC contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

corresponding charge to the Statement of Profit and Loss amounting to ₹15.95 million (Previous Year ₹11.71 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date. The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Company's financial statements as at March 31, 2023:

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**182.93**	**161.42**
Current Service Cost	24.09	22.70
Transfer in/(out) obligation	3.75	1.03
Interest Cost	8.92	7.25
Actuarial (gain)/loss on obligation		
- Due to change in Financial Assumptions	(7.50)	(1.89)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	8.36	16.96
Benefits paid	(23.70)	(24.54)
Obligations at the end of the year	**196.85**	**182.93**
(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**165.65**	**147.93**
Interest Income	8.55	7.11
Return on plan assets excluding interest income	(1.43)	(0.37)
Employer Contributions	16.77	35.52
Benefits paid	(23.70)	(24.54)
Fair Value of plan assets at the end of the year	**165.84**	**165.65**
(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	196.85	182.93
Less : Fair value of plan assets	(165.84)	(165.65)
Funded status (deficit)	31.01	17.28
Net liability recognised in the financial statement	**31.01**	**17.28**

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	24.09	22.70
Interest Cost Net	0.37	0.14
Expense charged to the statement of profit and loss	**24.46**	**22.84**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.43	0.37
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(7.50)	(1.89)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	8.36	16.96
Expense charged to other comprehensive income	**2.29**	**15.44**
Assumptions:		
Discount rate	7.30%	5.65%
Estimated rate of return on plan assets	7.30%	5.65%
Annual increase in salary costs	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	194.70	180.90
Decrease of 0.5% in discount rate	199.05	185.04
Increase of 0.5% in salary escalation rate	198.94	184.88
Decrease of 0.5% in salary escalation rate	194.83	181.04
Expected future Cash outflows towards the plan are as follows :		
Year 1	70.76	67.04
Year 2	47.86	40.98
Year 3	35.13	30.23

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Year 4	24.87	22.07
Year 5	17.84	15.41
Year 6 to 10	33.47	29.40

Particulars	As at March 31, 2023 (%)	As at March 31, 2022 (%)
Insurer managed funds with Life Insurance Corporation of India	95%	95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	5%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contribution to be made by company for gratuity during financial year ending March 31, 2024 is ₹27.19 million (previous year ₹17.28 million).

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 29: Fair Value Measurement

(i) **Financial assets and liabilities**

The carrying value and fair value of financial instruments by category is as follows :

(₹ in million)

	As at March 31, 2023		As at March 31, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	2,292.18	2,292.18	1,375.55	1,375.55
Cash and cash equivalents	474.82	474.82	447.04	447.04
Other bank balances	1.67	1.67	14.01	14.01
Investment in tax free bonds	5.00	5.00	5.29	5.29
Loans	1,181.62	1,181.62	550.30	550.30
Other Financial Asset	71.37	71.37	716.99	716.99
Fair value through profit or loss :				
Investment in mutual funds	300.05	300.05	5,166.49	5,166.49
Investment in tax free bonds	3.30	3.30	3.50	3.50
Investment in equity instruments (other than investment in subsidiaries)	28.62	28.62	28.62	28.62
Total	**4,358.63**	**4,358.63**	**8,307.79**	**8,307.79**
Financial Liabilities :				
Amortised cost :				
Borrowings	3,168.71	3,168.71	-	-
Trade payables	830.74	830.74	967.70	967.70
Other financial liabilities	84.42	84.42	59.81	59.81
Lease Liability	412.15	412.15	381.77	381.77
Total	**4,496.02**	**4,496.02**	**1,409.28**	**1,409.28**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	300.05	-	-	300.05
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.30	-	-	3.30
Total	**303.35**	**-**	**28.62**	**331.97**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**303.35**	**-**	**28.62**	**331.97**

(₹ in million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	-	-	-	-
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Fair value of Equity investments traded in an active market are determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Company's activities are exposed to variety of financial risks. These risks include market risk, credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity price

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

risk. The Company is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Company invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 303.35 million and ₹ 5,169.99 million as at March 31, 2023 and March 31, 2022 respectively.

(b) Credit Risk

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 4,358.63 million and ₹ 8,307.79 million as at March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets, loans and investments excluding equity investments in subsidiaries, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows :

(₹ in million)

As at March 31, 2023	Less than 1 year	1-3 years	More than 3 years
Borrowings	1,074.00	1,048.00	1,048.00
Trade payables	830.74	-	-
Other financial liabilities	84.42	-	-
Lease Liabilities	82.47	171.55	260.79
	2,071.63	1,219.55	1,308.79
As at March 31, 2022	**Less than 1 year**	**1-3 years**	**More than 3 years**
Trade payables	967.70	-	-
Other financial liabilities	59.81	-	-
Lease Liabilities	62.37	128.39	308.91
	1,089.88	128.39	308.91

(iv) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows. (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans and borrowings	3,580.86	381.77
Less : Cash and bank balances	474.82	447.04
Adjusted net debt	**3,106.04**	**(65.27)**
Total equity	**22,218.84**	**19,185.56**
Adjusted net debt to adjusted equity ratio	**0.14**	**(0.00)**
Debt equity considering only borrowings as debt	**0.16**	**0.02**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023; March 31, 2022.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2023 , the Company has floating rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

For the year ended 31 March 2023, every 1% increase or decrease in the floating interest rate component (i.e., Treasury bill) applicable to its borrowings would affect the Company's profit before tax by ₹ 29.53 million. For year ended March 31, 2022, the Company did not had any floating rate borrowings.

Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Nature of Relationship	Name of the related party
1. Subsidiaries	
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)
	Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (w.e.f. May 12, 2022)
	Aprica Healthcare Limited
	Eris Healthcare Private Limited
	Eris Therapeutics Limited (w.e.f. June 23, 2021)
	Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited)
2. Key Managerial Personnel	
Managing Director	Mr. Amit Bakshi
Whole time director	Mr. Inderjeet Singh Negi
Whole time director	Mr. Kaushal Shah
Whole time director	Mr. Krishnakumar Vaidyanathan
Independent Director	Mr. Rajeev Dalal
Independent Director	Ms. Kalpana Vasantrai Unadkat
Independent Director (Upto July 19, 2022)	Mrs. Vijaya Sampath
Independent Director	Mr. Prashant Gupta
Independent Director (From July 25, 2022)	Mr. Sujesh Vasudevan
Chief Financial Officer	Mr. Sachin Shah
Company Secretary	Mr. Milind Talegaonkar
3. Close family member of Key Management Personnel	
Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

4. Other Related parties	
Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
Entity controlled by relative of Key Managerial Personnel (w.e.f. August 21, 2021)	Tresna Foundation
Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP
Key Managerial Personnel of subsidiary (w.e.f. September 01, 2022)	Gagan Atreja
Key Managerial Personnel of subsidiary (w.e.f. November 11, 2022)	Shreya Mohan
Promotor	Rajendra Patel
Nature of Relationship	**Name of the related party**
Firm in which director is a partner	Shardul Amarchand Mangaldas & Co
Firm in which director is a partner	Khaitan & Co.
Shareholders of Subsidiary (w.e.f. January 12, 2022)	M.J. Biopharm Private Limited
Entity controlled by Promotor	Shah & Company

B) Total Transactions and year end balances with related parties are as follows:

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
Investment in / (Redemption of) Perpetual bond	-	(50.00)	-	-	-	-	-	-	-	(50.00)
Investment in Equity share capital	-	0.10	-	-	-	-	-	-	-	0.10
Investment in Preference share capital	500.01	249.98	-	-	-	-	-	-	500.01	249.98
Loans Given	4,277.50	605.78	-	-	-	-	-	-	4,277.50	605.78
Loans Received back	3,454.18	604.75	-	-	-	-	-	-	3,454.18	604.75
Loan taken	325.00	-	-	-	-	-	-	-	325.00	-
Loan repaid	325.00	-	-	-	-	-	-	-	325.00	-
Sales of Finished goods	120.10	149.92	-	-	-	-	-	-	120.10	149.92
Sales of Stock-in-trade	5.81	-	-	-	-	-	-	-	5.81	-
Purchases of Stock-in-trade	0.74	127.71	-	-	-	-	-	-	0.74	127.71
Royalty Income	4.92	11.05	-	-	-	-	-	-	4.92	11.05
Composite support service income	0.72	-	-	-	-	-	-	-	0.72	-
Interest Income	73.04	35.54	-	-	-	-	-	-	73.04	35.54
Royalty Expense	7.85	4.30	-	-	-	-	-	-	7.85	4.30
Reimbursement of expense incurred	2.27	1.03	2.17	2.17	-	-	0.27	-	4.72	3.20
Reimbursement of expense received	3.85	-	-	-	-	-	-	-	3.85	-
Guarantee Commission income	12.14	-	-	-	-	-	-	-	12.14	-
Interest expense	17.00	-	-	-	-	-	-	-	17.00	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	Subsidiaries		Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
Sales of property plant and equipment	0.41	-	-	-	-	-	-	-	0.41	-
Other Expenses	1.50	-	-	-	-	-	-	-	1.50	-
Remuneration *	-	-	131.20	119.34	-	-	17.18	-	148.38	119.34
Sitting fees	-	-	3.30	3.23	-	-	-	-	3.30	3.23
Commission	-	-	13.50	17.50	-	-	8.10	-	21.60	17.50
Stock Options exercised	-	-	0.38	3.77	-	-	-	-	0.38	3.77
Professional fees (Capitalised to intangible and in investment) to firm in which director is a partner	-	-	-	-	-	-	19.14	-	19.14	-
Salary expense	-	-	-	-	0.51	0.28	-	-	0.51	0.28
Corporate Social Responsibility	-	-	-	-	-	2.10	-	-	-	2.10
Contribution to Post-employment benefit plan	-	-	-	-	-	-	16.76	16.28	16.76	16.28
(B)Balances at the end of the year	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**
Perpetual bond	200.00	200.00	-	-	-	-	-	-	200.00	200.00
Trade Receivable	17.20	0.88	-	-	-	-	-	-	17.20	0.88
Advance from Customer	-	3.81	-	-	-	-	-	-	-	3.81
Advance to Creditor	-	3.35	-	-	-	-	-	-	-	3.35
Trade payable	1.22	-	7.72	16.14	0.04	0.03	1.47	-	10.44	16.17
Loans Given	1,158.94	311.26	-	-	-	-	-	-	1,158.94	311.26

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

C) Transactions with related parties are as follows: (₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Transaction with Subsidiaries**		
	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)		
	Loans Given	427.50	-
	Loans Received Back	342.96	-
	Investment in Preference share capital	500.01	-
	Composite support service income	0.12	-
	Interest Income	21.47	0.25
	Reimbursement of expense incurred	1.95	-
	Reimbursement of expense received	2.29	-
	Loans Given	-	46.18
	Aprica Healthcare Limited		
	Purchases of Stock-in-trade	-	0.02
	Sales of Finished goods	64.32	52.05
	Investment in / (Redemption of) Perpetual bond	-	(50.00)
	Royalty Income	4.68	5.52
	Composite support service income	0.12	-
	Reimbursement of expense incurred	-	1.03
	Royalty expense	4.60	2.39
	Eris Healthcare Private Limited		
	Royalty expense	3.26	1.91
	Sales of Finished goods	55.78	97.87
	Loans given	80.00	157.50
	Loans Received back	111.82	202.65
	Composite support service income	0.30	-
	Sales of property plant and equipment	0.35	-
	Other Expenses	1.44	
	Purchases of Stock-in-trade	(0.28)	127.69
	Interest income	27.08	29.66
	Royalty income	-	5.53

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27)		
	Sales of Stock-in-trade	5.81	-
	Loans given	2,500.00	-
	Loans Received back	2,320.00	-
	Loan taken	325.00	-
	Loan repaid	325.00	-
	Composite support service income	0.06	-
	Guarantee Commission income	4.78	-
	Interest expense	17.00	-
	Interest income	6.60	-
	Royalty income	0.23	-
	Eris Therapeutics Limited		
	Investment in Equity share capital	-	0.10
	Investment in Preference share capital	-	249.98
	Loans given	1,270.00	402.10
	Guarantee Commission income	7.35	-
	Composite support service income	0.12	-
	Other Expenses	0.06	-
	Sales of property plant and equipment	0.06	-
	Purchases of Stock-in-trade	1.02	-
	Reimbursement of expense incurred	0.32	-
	Reimbursement of expense received	1.56	-
	Loans Received back	679.39	402.10
	Interest Income	17.89	5.63

C) Transactions with related parties are as follows: (₹ in million)

2	**Key Management Personnel compensation**		
	Remuneration *	131.20	119.34
	Sitting fees	3.30	3.23
	Reimbursement of expense incurred	2.17	2.17
	Commission	13.50	17.50
	Stock Options exercised	0.38	3.77
3	**Close family member of Key Management Personnel compensation**		
	Salary expense	0.51	0.28
	Corporate Social Responsibility	-	2.10

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
4	**Other Related parties**		
	Contribution to Post-employment benefit plan	16.76	16.28
	Remuneration to promotor	5.52	-
	Commission to entity controlled by promotor	8.10	-
	Professional fees (Capitalised to intangible and in investment) to firm in which director is a partner	19.14	
	Remuneration to Key Management Personnel of subsidiaries	11.67	-
	Reimbursement of expense to Key Management Personnel of subsidiaries	0.27	-

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

D) Balances with related parties at end of the year:

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)**		
	Loans Given	138.43	46.41
	Trade payable	0.02	-
	Trade Receivable	-	0.82
2	**Aprica Healthcare Limited**		
	Perpetual bond	200.00	200.00
	Trade Receivable	7.01	-
	Trade Payable	1.15	-
	Advance from Customer	-	3.81
3	**Eris Healthcare Private Limited**		-
	Loans Given	239.22	264.85
	Advance to Creditors	-	3.35
	Trade receivable	0.69	-
	Trade Payable	0.05	-
4	**Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27)**		
	Loans Given	180.00	-
	Trade receivable	9.51	-
5	**Eris Therapeutics Limited**		
	Loans Given	601.29	-
	Trade receivable	-	0.06

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for the year ended March 31, 2023

(₹ in million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
6	**Key Management Personnel compensation**		
	Trade Payable	7.72	16.14
7	**Close family member of Key Management Personnel compensation**		
	Trade Payable	0.04	0.03
8	**Other Related parties**		
	Trade Payable	1.47	-
D) Guarantee given to banks on behalf of subsidiaries:			
	Eris Therapeutics Limited	1,700.00	-
	Eris Oaknet Healthcare Private Limited	4,350.00	-

Note 31: Loans to group Companies

Disclosures pursuant to Regulation 34(3) read with Para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013.

(₹ in million)

Name of the Related party	Amount outstanding as at				Maximum balance during the year	
	March 31, 2023		March 31, 2022			
	Amount	% of Total Loan	Amount	% of Total Loan	2022-23	2021-22
Related Parties	**1,158.94**	**97.61%**	**311.26**	**56.19%**	**3,895.35**	**860.23**
Eris Healthcare Private Limited	239.22	20.15%	264.85	47.81%	363.39	419.31
Eris M.J.Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	138.43	11.66%	46.41	8.38%	480.67	46.41
Eris Therapeutics Limited	601.29	50.64%	-	0.00%	601.29	394.51
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	180.00	15.16%			2,450.00	

Notes

a) The loanees did not hold any shares in the Share capital of the Company.

b) All loans given are for the purposes of the business and repayable on demand.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 32: Corporate Social Responsibility (CSR) expenditure

Disclosures pertaining to corporate social responsibility activities: (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Corporate Social Responsibility expenses for the year	75.83	65.43
Nature of CSR activities		
Medical	74.75	62.46
Educational	1.08	2.97
Other	-	-
Gross amount required to be spent by the company during the year.	75.83	65.43
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	75.83	65.43
Details of related party transactions	-	2.10
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-	-
The total of previous years' shortfall amounts	-	-
The reason for above shortfalls by way of a note	-	-
Excess amount for set off		

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Two percent of average net profit of the Company as per section 135(5)	75.83	65.43
(ii)	Total amount spent for the Financial Year	23.47	195.08
(iii)	Excess / (short) amount spent for the Financial Year [(II)-(i)]	(52.36)	129.65
(iv)	Amount available for set off from preceding financial years	129.94	0.29
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	77.58	129.94

Note 33: Contingent Liability and Capital Commitment

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	182.42	173.52
Notices regarding Income-tax matters	1.06	1.06
Others (Includes ₹ 50 million {Previous year ₹ Nil} {refer note 6})	70.38	68.83

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note: The Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier years. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹ 8.40 million (Previous year ₹28.92 million).

The Company has given corporate guarantee to bank for credit facilities upto ₹ 1,700 million availed by its subsidiary Eris Therapeutics Limited. As per the terms of deed of guarantee, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The Company has given corporate guarantee to banks for credit facilities upto ₹ 4,350 million availed by its subsidiary Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) as per deed of guarantee, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary. The Company does not expect any outflow of resources in respect of the above.

Note 34: Lease rent IND AS 116

The movement in lease liability and Right of use assets is given as under as per IND AS 116. (₹ in million)

Changes [Increase/(decrease)]	For Year ended March 31, 2023	For Year ended March 31, 2022
Depreciation and Amortisation	83.22	42.41
Finance costs on lease liability	30.43	26.97
Cash Flow From Lease	(48.39)	(112.95)
Cash Flow From Lease interest	(30.43)	(26.97)

Note 35: ESOP

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 (Three lakhs ninety one thousand five hundred ninety nine only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.1,14,736 and 98,107 options have lapsed till March 31, 2023 and March 31, 2022 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 16.40 million and for financial year 2021-22 is ₹ 13.55 million.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	107,536	451.04	273,709	451.04
Granted during the year	-	-	-	-
Vested during the year	53,710	451.04	59,197	451.04
Exercised during the year	60,520	451.04	149,544	451.04
Lapsed during the year	-	451.04	16,629	451.04

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Options available for grant	114,736	-	98,107	-
Options exercisable at the end of the year	47,016	-	53,826	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	April 12, 2017
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value(₹)	268.77

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,14,102 (Two lakhs fourteen thousand one hundred two only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 14.81 previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	214,102	557.24	-	557.24
Granted during the year *	-	-	214,102	-
Vested during the year	53,512	557.24	-	557.24
Exercised during the year	1,521	557.24	-	557.24
Lapsed during the year	22,443	557.24	-	557.24
Options outstanding at the end of the year	190,138	557.24	214,102	557.24
Options available for grant	864,960	-	1,144,528	-
Options exercisable at the end of the year	47,173	-	-	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**February 10, 2022**
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value(₹)	341.62

C. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,79,568 (Two lakhs seventy nine thousand five hundred sixty eight only) equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 510.32. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2023. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing Formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is NIL previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

Particulars	**For the year ended March 31, 2023**		**For the year ended March 31, 2022**	
	Options (Numbers)	**Weighted average exercise price per option (₹)**	**Options (Numbers)**	**Weighted average exercise price per option (₹)**
Option outstanding at the beginning of the year	-	510.32	-	-
Granted during the year *	279,568	-	-	-
Vested during the year	-	510.32	-	-
Exercised during the year	-	510.32	-	-
Lapsed during the year	7,182	510.32	-	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Options outstanding at the end of the year	272,386	510.32	-	-
Options available for grant	864,960	-	-	-
Options exercisable at the end of the year	-	-	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**February 10, 2023**
	Weighted average
Stock Price (₹)	637.90
Volatility	31.99%
Risk-free Rate	7.15%
Exercise Price (₹)	510.32
Time To Maturity (In years)	7.50
Dividend yield	0.96%
Option Fair Value(₹)	313.34

Note 36: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in million)

Particulars	**March 31, 2023**	**March 31, 2022**
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	118.05	41.49
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act.	-	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 37 (A) : Financial Ratio

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Remarks for variance
Liquidity Ratio (in times)						
Current Ratio	Current Assets	Current Liabilities	1.95	3.49	-44.24%	Due to increase in trade receivable
Solvency Ratio (in times)						
Debt – Equity Ratio	Total Debt(1)	Shareholder's Equity	0.16	0.02	709.91%	Due to borrowing in current year which was nil last year
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt Service(3)	37.77	77.13	-51.04%	Due to borrowing in current year which was nil last year
Profitability ratio (in %)						
Net profit ratio	Profit After Tax	Sale of products	30.45%	34.95%	-12.87%	
Return on Equity (ROE):	Profit After Tax	Average Shareholder's Equity	19.23%	23.88%	-19.49%	
Return on capital employed (ROCE)	Earning before interest and tax	Capital Employed (4)	24.95%	31.66%	-21.18%	
Return on investment (ROI)	Income generated from investments	Time weighted average investments	2.32%	3.46%	-33.09%	Due to premature withdrawl in investment in debt mutual fund.
Utilization Ratio (in times)						
Trade receivables turnover ratio	Sale of products	Average Trade Receivables	7.13	9.50	-24.97%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.18	2.67	19.31%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.68	4.75	-1.48%	
Net capital turnover ratio	Net Sales	Working Capital	4.87	2.89	68.86%	Higher efficiency on working capital improvement has impacted change in this ratio.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Notes

(1) Debt represents borrowings and lease liabilities.

(2) "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Lease payments, interest and principal repayment for the current year

(4) Tangible net worth + deferred tax liabilities + Lease Liabilities

Note 37 (B) : Other statutory information

i). The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

v). The Company does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Company to body corporate as at March 31, 2023. (Refer Note 10)

(b) Investment made by the Company as at March 31, 2023. (Refer Note 3)

(c) Guarantee given by the Company as at March 31, 2023. (Refer note 33)

viii) The borrowings obtained by the Company from banks have been applied for the purposes for which such loans was taken.

ix) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

x) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

xi) The Company has complied with the number of layers prescribed under the Companies Act, 2013

xii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

xiii) The company has not revalued its property,plant and equipment during the current or previous year.

xiv) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Note 38: Items included in Financial Activities

(₹ in million)

	As at March 31,2022	Cash Flows	Net Additions	Other Changes	As at March 31, 2023
Lease Liability	381.77	(78.82)	87.37	21.83	412.15
Borrowing	-	3,170.00	-	(1.29)	3,168.71

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	53.42	(139.92)	473.80	(5.53)	381.77

Note 39: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 ("the Code") which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of Eris Lifesciences Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Eris Lifesciences Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Assessment of impairment of Goodwill pertaining to Aprica Healthcare Limited Cash Generating Unit ("Aprica CGU")** Refer to note 2(b) to the consolidated financial statements. As at 31 March 2023, carrying value of goodwill pertaining to Aprica CGU is Rs. 768.14 million. In accordance with Ind AS, goodwill needs to be tested for impairment at every reporting period. Recoverability of the carrying value of goodwill is predicated upon appropriate attribution of goodwill to a cash generating unit (CGU) and determination of recoverable amount of the underlying CGUs. Significant Management judgement is required in the area of impairment testing, particularly in assessing whether the carrying value of the CGU including the goodwill can be supported by the recoverable amount in the Company. Recoverability of the carrying values of goodwill is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows vary materially from management's estimates, the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, net profit margin, perpetual growth rates and discount rate that are dependent on expected future market and economic conditions. Any change in the basis or assumptions could materially affect the recoverable amount used in the impairment test with a consequent impact on the consolidated financial statements of the Group. In view of the foregoing, valuation and allocation of the Goodwill pertaining to the Aprica CGU has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the design, implementation and operating effectiveness in respect of management's assessment of impairment and determination of recoverable amounts to measure the impairment provision that needs to be accounted for. 2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out the valuation of carrying value of goodwill pertaining to Aprica CGU and reviewed the valuation report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates, net profit margin and perpetual growth rates and retrospective review of the projections (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation model used by the management's expert and testing the underlying assumptions related to the discount rates and the terminal growth rates applied to the forecasted cashflows to determine the recoverable values.

2	**Business Combination — Eris Oaknet Healthcare Private Limited (Refer to Note 27.1 to the Consolidated Financial Statements)** During the current financial year, the Group has acquired business of Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) for a consideration of Rs. 6,554.90 Million (including transaction cost). The Group accounted the acquisition under the acquisition method of accounting for business combinations. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair values on their acquisition date. The determination of such fair values for the purpose of purchase price allocation involves judgments and estimates such as appropriateness of the valuation methodology applied and the discount rates applied to future cash flow forecasts. In view of the foregoing, Purchase Price Allocation in respect of the Business Combination has been identified as a Key Audit Matter.	**Principal audit procedures performed:** 1. Our audit procedures included a combination of testing the Design, Implementation and Operating effectiveness of controls over determination of fair values of assets acquired and liabilities assumed for the purpose of purchase price allocation. 2. Our substantive procedures included (i) evaluating the objectivity and independence of the specialist engaged by the Company to carry out Purchase Price Allocation (PPA) of the Business Combination and reviewed the PPA report issued by such specialist. (ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates and net profit margin (iii) engaging our internal fair valuation specialists to test the appropriateness of the valuation methodologies for the identified intangible assets used by the management's expert and reasonableness of the key valuation assumptions related to the contributory asset charges, discount rates and the terminal growth rates applied to the forecasted cashflows to determine the Purchase price allocation.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report in Annual Report for the year ended March 31, 2023, but does not include the consolidated financial statements, standalone financial statements, and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the identified above when it becomes available, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matter

We did not audit the financial statements / financial information of five subsidiaries, whose financial statements / financial information reflect total assets of Rs. 4,294.29 million as at March 31, 2023, total revenues of Rs. 1,415.92 million and net cash outflows amounting to Rs. 36.87 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b). In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c). The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d). In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 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 with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 31 to the consolidated financial statements;

      ii). The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

      iv). (a). The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 35(B) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind

of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 35(B) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c). Based on the audit procedures performed us that have been considered reasonable and appropriate in the circumstances and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v). The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

vi). Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAH9953)

Place: Ahmedabad
Date: May 17, 2023

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 with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Eris Lifesciences Limited (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). 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 the respective 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 and the audit evidence obtained by other auditor of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN: 23116642BGWGAH9953)

Place: Ahmedabad
Date: May 17, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	3,039.84	1,212.18
(b) Right-of-use asset	2(a)	520.17	466.35
(c) Capital Work in progress	2(a)	213.78	240.04
(d) Goodwill	2(b)	3,318.49	934.74
(e) Other Intangible assets	2(b)	18,802.53	6,566.16
(f) Intangible assets under development	2(b)	3.43	29.82
(g) Financial assets			
Investments	3	66.93	4,208.44
Loans	10	9.64	28.20
Other financial asset	5	76.53	44.96
(h) Income tax assets (net)	4(d)	45.48	42.43
(i) Deferred tax assets (net)	4(f)	2,739.45	2,431.34
(j) Other non-current assets	6	189.79	243.43
Total Non current assets		**29,026.06**	**16,448.09**
(2) Current assets			
(a) Inventories	7	1,314.35	1,179.11
(b) Financial assets			
Investments	3	300.07	995.48
Trade receivables	8	2,927.09	1,609.68
Cash and cash equivalents	9(a)	560.22	508.70
Other bank balances	9(b)	24.35	14.57
Loans	10	39.86	230.03
Other financial asset	5	7.79	674.88
(c) Other current assets	6	2,473.49	1,060.85
Total Current assets		**7,647.22**	**6,273.30**
TOTAL - ASSETS		**36,673.28**	**22,721.39**
II. EQUITY AND LIABILITIES :			
(1) Equity			
(a) Share capital	11	135.99	135.93
(b) Other Equity	12 (a)	21,823.89	18,947.18
Equity attributable to the owners of the company		21,959.88	19,083.11
(c) Non-controlling interest	12 (b)	246.89	(1.08)
Total Equity		22,206.77	19,082.03

(₹ in million)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	6,444.47	450.00
Lease Liabilities	14	389.74	353.94
Other financial liabilities	14	69.18	34.06
(b) Long-term provisions	15	441.19	321.14
(c) Other non-current liabilities	16	113.22	22.82
(d) Deferred tax liabilities (net)	4(f)	2,576.38	460.94
Total Non Current Liabilities		**10,034.18**	**1,642.90**
(3) Current liabilities			
(a) Financial Liabilities			
Borrowings	13	1,855.69	0.11
Lease Liabilities	14	77.21	40.02
Trade payables			
A) Due to Micro and Small Enterprises	17	187.52	71.80
B) Due to other than Micro and Small Enterprises		1,060.17	1,105.94
Other financial liabilities	14	301.15	122.12
(b) Short-term provisions	15	694.37	390.57
(c) Other current liabilities	16	217.22	195.93
(d) Income tax liabilities (net)	4(e)	39.00	69.97
Total Current Liabilities		**4,432.33**	**1,996.46**
Total Liabilities		**14,466.51**	**3,639.36**
TOTAL - EQUITY AND LIABILITIES		**36,673.28**	**22,721.39**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
REVENUE:			
Revenue from operations			
Sale of products	18	16,618.16	13,261.68
Other operating income		233.33	208.75
Total Revenue from Operations		**16,851.49**	**13,470.43**
Other income	19	111.53	260.94
Total Revenue (I)		**16,963.02**	**13,731.37**
EXPENSES:			
(a) Cost of materials consumed	20	1,421.99	1,175.73
(b) Purchases of stock-in-trade		2,063.33	1,417.21
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	38.18	(7.76)
(d) Employee benefits expense	22	3,461.57	2,501.79
(e) Other expenses	23	4,498.96	3,533.91
Total (II)		**11,484.03**	**8,620.88**
Profit before interest, tax, depreciation and amortisation (I - II)		**5,478.99**	**5,110.49**
Finance costs	24	261.68	41.46
Depreciation and amortisation expense	2(c)	1,170.88	647.05
Profit before tax		**4,046.43**	**4,421.98**
Tax expenses :			
(a) Current tax	4	746.59	818.24
(b) Deferred tax		(441.76)	(454.15)
Total tax expense		**304.83**	**364.09**
Profit for the year		**3,741.60**	**4,057.89**
Attributable to :			
- Owners of the company		3,821.58	4,061.13
- Non controlling interest		(79.98)	(3.24)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(0.05)	(15.13)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		0.64	5.31
		0.59	**(9.82)**
Total Comprehensive Income for the year		**3,742.19**	**4,048.07**

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Attributable to :			
- Owners of the company		3,822.17	4,051.31
- Non controlling interest		(79.98)	(3.24)
Earnings per equity share of face value ₹ 1 each	**25**		
Basic (₹)		28.10	29.89
Diluted (₹)		28.07	29.88

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in million)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	4,046.43	4,421.98
Adjustments for:		
Depreciation and amortisation expense	1,170.88	647.05
Net Loss on property plant and equipment sold/written off	20.18	42.54
Finance costs	261.68	41.46
Interest income	(22.99)	(60.98)
Acquisition expense for investment in subsidiary	18.86	-
Net gain on sale of investments carried at fair value through profit or loss	(71.27)	(21.73)
Net MTM gain on investments carried at fair value through profit or loss	(0.05)	(144.36)
Provision for other financial assets	1.99	(1.52)
Bad debt written off	0.67	0.02
Deferred capital subsidy	(4.78)	(4.83)
Gain From Termination of Lease	(7.99)	(18.68)
Share based payment expense	31.21	13.55
Operating profit before working capital changes	5,444.82	4,914.50
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1,171.38)	(204.80)
Inventories	47.44	(234.45)
Other assets	(764.59)	(146.87)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(104.97)	151.59
Financial Liabilities	36.12	(2.58)
Provisions	216.99	108.41
Other liabilities	(14.97)	29.69
Cash generated from operations	3,689.46	4,615.49
Net income tax paid	(772.08)	(832.85)
Net cash flow from operating activities (A)	2,917.38	3,782.64

(₹ in million)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(8,414.21)	(1,210.33)
Proceeds from sale of property plant and equipment	1.37	7.58
Consideration paid towards business combination (Including transaction costs)	(6,554.91)	-
Investments in mutual funds and fixed deposit	(300.00)	(2,676.77)
Proceeds from redemption of mutual funds and fixed deposit	5,204.39	795.87
Loan given	(9.23)	(166.15)
Repayment of loan given to others received	215.97	4.38
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	(5.15)	(0.96)
Interest received	40.76	50.28
Net cash flow used in investing activities (B)	**(9,821.01)**	**(3,196.10)**
C. Cash flow from financing activities		
Proceeds from borrowings	11,350.05	450.01
Repayment of borrowings	(3,500.00)	-
Finance costs	(234.30)	(38.50)
Dividend paid	(999.11)	(816.23)
Principal element to lease payment	(87.12)	(115.01)
Increase in share capital due to minority share in subsidiary	-	0.78
Share application money	-	4.51
Compulsory convertible debentures proceeds	327.95	-
Proceeds from issue of equity share capital (Employee stock options plan)	22.78	67.45
Net cash flow from / (used in) financing activities (C)	**6,880.25**	**(446.99)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(23.38)**	**139.55**
Cash and cash equivalents at the beginning of the year	**508.70**	**369.15**
Cash and cash equivalents acquired pursuant to business acquisition (Refer note 27.1)	**74.90**	**-**
Cash and cash equivalents at end of the year {Refer note- 9(a)}	**560.22**	**508.70**

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents {Refer note-9(a)}

(₹ in million)

Cash on hand	0.28	1.19
Balance with banks		
In Current Account	559.94	402.35
Cheque in hand	-	105.16
Cash and Cash Equivalents as per Cash flow statement	**560.22**	**508.70**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(₹ in million)

A. Equity Share Capital

Particulars (refer note-11)	Amount
As at March 31, 2021	**135.78**
Change in Equity Share Capital	0.15
As at March 31, 2022	**135.93**
Change in Equity Share Capital	0.06
As at March 31, 2023	**135.99**

B. Other Equity

(₹ in million)

Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Share application money pending allotment	Capital redemption reserve	Total Other Equity
As at March 31, 2021	**15,503.13**	**-**	**39.74**	**83.82**		**1.74**	**15,628.43**
Add: Profit for the period	4,061.13	-	-	-	-	-	4,061.13
Add: Other comprehensive Income for the year	(9.82)	-	-	-	-	-	(9.82)
Less: Payment of Dividend	(816.48)	-	-	-	-	-	(816.48)
Less: Change in Non-controlling interest (Refer note 27.2)	(1.43)	-	-	-	-	-	(1.43)
Add: Pursuant to Issue of share capital on account of exercie of options	-	67.29	-	-	-	-	67.29
Add : Share application money pending allotment	-	-	-	-	4.51	-	4.51
Less: Transfer on account of exercise of options	-	38.84	(38.84)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	13.55	-	-	-	13.55
As at March 31, 2022	**18,736.53**	**106.13**	**14.45**	**83.82**	**4.51**	**1.74**	**18,947.18**
Add: Profit for the Year	3,821.58	-	-	-	-	-	3,821.58
Add: Other comprehensive Income for the year	0.59	-	-	-	-	-	0.59
Less: Payment of Dividend	(999.40)	-	-	-	-	-	(999.40)

(₹ in million)

Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgation	Share application money pending allotment	Capital redemption reserve	Total Other Equity
Add: Pursuant to Issue of share capital on account of exercie of options	-	27.24	-	-	(4.51)	-	22.73
Less: Transfer on account of exercise of options	-	17.64	(17.64)	-	-	-	-
Add: share based payments to employees of the Parent company	-	-	31.21	-	-	-	31.21
As at March 31, 2023	**21,559.30**	**151.01**	**28.02**	**83.82**	**-**	**1.74**	**21,823.89**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Hardik Sutaria
Partner

Place: Ahmedabad
Date: May 17, 2023

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

Corporate Information:

Eris Lifesciences Limited ("Parent Company") and its subsidiaries (together referred to as "the Group") are engaged in the manufacture and marketing of pharmaceutical products. The Parent Company has a manufacturing plant located in Guwahati, Assam. The Parent Company's shares are listed on the National Stock Exchange of India Limited and BSE Limited.

Note 1: Significant accounting policies

1.1 Basis of preparation:

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI).

(B) Basis of measurement:

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Investments in mutual funds and equity investments
- Defined benefit plan – plan assets measured at fair value
- Certain financial assets and liabilities measured at fair value
- Lease liability is booked based on IND AS 116
- Long term borrowings at amortised cost using the effective interest rate method
- Share based payments are measured at fair value
- Assets acquired and liabilities assumed as part of business combination are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group. A liability is current when it is expected to be settled in normal operating cycle, held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting date and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation

in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries, being the entities controlled by the Parent Company, as disclosed in Note 35. Control is established when the Group has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences and until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

1.3 Critical Accounting Judgements And Key Sources of Estimation Uncertainity :

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities is in respect of:

- Provision for sales returns (refer note 1.4)
- Estimates of useful lives of property, plant and equipment (refer note 1.5)
- Estimates of useful lives of intangible assets (refer note 1.6)
- Business Combination (refer note 1.7 & 27.1)
- Impairment of Goodwill & Intangible (refer note 1.9 & 2b)
- Valuation of inventories (refer note 1.10)
- Employee benefits (refer note 1.14)
- Valuation of deferred tax assets (refer note 1.15)
- Provisions & contingent liabilities (refer note 1.16)
- Employee Stock Option Plan (refer note 33)

1.4 Revenue recognition:

a. Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controlsof the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade

practices, historical trends, past experience and projected market conditions.

At the time of recognising provision for sales return Expected Reimbursement Towards Likely Sales return is recognied, which is included in other current assets for the products expected to be returned The Parent Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

c. Other income:

i) Dividend income is recognized when the right to receive dividend is established.

ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

iii) Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.5 Property, Plant and Equipment (PPE) and Capital work in progress :

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation and impairment loss, if any. All costs attributable to acquisition/ construction of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation is recognised on straight line method based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 except in respect of some equipments and some furniture and fixtures, in whose case the life of the assets has been assessed as 3 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. In case of addition to building, depreciation is provided on the balance useful life available for use. Depreciation on additions/ disposals of the Property, Plant and Equipment during the year is provided on pro-rata basis according to the period during which assets were put to use.

In case of Lease hold improvement useful life is considered as lower of useful life of the asset or lease term.

The estimated useful lives are mentioned as under -

Type of Asset	Useful lives
Freehold Land	Non Depreciable Asset
Building	30 - 60 years
Plant and Machinery	15 years
Vehicles	8 years
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 years
Lease hold improvements	Over the period of lease term
Right of use asset	Over the period of lease term

Depreciation is not considered on capital work in progress until construction and installation are complete and the asset is ready for intended use

Treatment of Expenditure during Construction Period

Expenditure, net of income earned, during construction (Including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progess, The same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or constuction of PPE outstanding at each reporting date are

disclosed as Capital Advances under "Other non-current assets".

1.6 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangibles are amortised over its estimated useful life and tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the intangibles are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the Statement of Profit and Loss.

For determination and review of assessing indicators of impairment, the Management considers internal and external factors including technological, market, economic or legal environment in which the Company operates or in the market to which the asset is dedicated. Recoverability of the carrying values of acquired intangible assets is dependent on future cash flows of the underlying cash generating units (CGUs) and there is a risk that if these cash flows do not meet management's expectations the assets will be impaired. The cash flow forecasts and related value in use calculations include a number of significant management assumptions, judgements and estimates including revenue growth rates, profit margin and perpetual growth rates and discount rate that are dependent on expected future market and economic conditions.

The estimated useful lives of intangibles are as mentioned below

Type of intangible assets	Useful life
Trademark/Brands	Upto 20 years
License Fees	From 3 to 15 years
Non-compete fees	Upto 5 years
Software	Upto 6 years

1.7 Business combination and Goodwill

1.7.1 Business combination

Business Combinations are accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in the consolidated statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date. The acquisition date is the date on which control is transferred to the acquirer.

The consideration transferred for the acquisition of a subsidiary is comprised of:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary

The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or

additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.7.2 Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

1.8 Financial Instruments

Financial assets

Initial recognition and measurement

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

Subsequent measurement

i.Debt instruments at amortised cost – A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

> The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

> Contractual terms of the asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii. Equity investments – The Group measures its equity instruments other than investment in subsidiaries at fair value through profit and loss (FVTPL) in accordance with the requirements of Ind AS 109. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

iii. Mutual funds – All mutual funds within the scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not recorded at fair value through profit & loss (FVTPL), the

transaction costs that are attributable to the acquisition of the financial liabilities are also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities includes borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.9 Impairment of assets:

Financial Asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence indicating impairment. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets' fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.10 Inventories:

a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.

b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.11 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, as they are considered an integral part of the Group's cash management.

1.12 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit or loss attributable to the equity holders of the Parent Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares are adjusted for share splits, bonus shares and buy back, as appropriate.

1.14 Employee Benefits:

A) Defined contribution plan: The Group's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit obligations plan:

(i) The gratuity scheme is administered through the Life Insurance Corporation of India [LIC]. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Group also provides benefit of compensated absences to its employees which are in the nature of long -term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Group recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.15 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are

subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

a. Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.17 Leases:

Effective from April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied it to all lease contracts existing on April 01, 2019 using modified retrospective method.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease

transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method. (Refer note 32)

Lease liability and Right of Use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Group are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.19 Government Grant:

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit or Loss on a systematic basis over the useful life of the asset.

1.20 Share-based pay]ment transactions:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, in accordance with IND AS 102 Share based payment, based on the Parent company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

1.21 Measurement of Profit before interest, tax, depreciation and amortisation

The Group has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Group measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.22 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below.

Amendments to existing Ind AS:

Ind AS 1 – Presentation of Financial Statements

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of this amendment is insignificant in the company's financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account

for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 2: Property, Plant and Equipment and Intangible Assets

(₹ in million)

(a) Property, Plant and Equipment :

Particulars	Freehold Land	Building	Plant and Machinery	Vehicles	Equipment	Furniture and Fixtures	Electric Installation	Lease hold improvements	Total	Right of use asset (Refer note 32)
Gross carrying amount:										
As at March 31, 2021	**22.98**	**326.00**	**359.60**	**191.08**	**427.72**	**192.88**	**36.12**	**-**	**1,556.38**	**200.58**
Additions during the Year	172.35	-	2.37	12.31	325.47	68.82	-	84.80	666.12	495.37
Deductions during the year	-	-	-	1.01	212.18	104.41	0.24	-	317.84	172.23
As at March 31, 2022	**195.33**	**326.00**	**361.97**	**202.38**	**541.01**	**157.29**	**35.88**	**84.80**	**1,904.66**	**523.72**
Additions during the Year	33.85	913.78	593.67	52.60	292.55	53.51	127.50	18.18	2,085.65	133.71
Addition due to business combination (Refer note 27.1)	-	-	-	2.62	6.04	0.28	-	-	8.94	25.07
Deductions during the year	-	-	2.08	1.13	127.76	28.64	-	10.17	169.78	18.23
As at March 31, 2023	**229.18**	**1,239.78**	**953.56**	**256.47**	**711.84**	**182.44**	**163.38**	**92.81**	**3,829.47**	**664.27**
Accumulated depreciation:										
As at March 31, 2021	**-**	**94.66**	**179.69**	**100.45**	**312.52**	**105.29**	**13.82**	**-**	**806.43**	**171.75**
Additions during the Year	-	8.13	16.61	13.38	88.56	20.60	2.54	3.92	153.74	44.03
Deductions during the year	-	-	-	0.87	177.56	89.02	0.24	-	267.69	158.41
As at March 31, 2022	**-**	**102.79**	**196.30**	**112.96**	**223.52**	**36.87**	**16.12**	**3.92**	**692.48**	**57.37**
Additions during the Year	-	10.75	18.73	16.50	164.67	17.34	3.25	11.54	242.78	101.52
Addition due to business combination (Refer note 27.1)	-	-	-	-	-	-	-	-	-	-
Addition due to pre operative expenses	-	-	-	0.65	0.97	0.11	-	-	1.73	-
Deductions during the year	-	-	0.85	0.66	118.05	17.63	-	10.17	147.36	14.79
As at March 31, 2023	**-**	**113.54**	**214.18**	**129.45**	**271.11**	**36.69**	**19.37**	**5.29**	**789.63**	**144.10**
Net carrying amount										
As at March 31, 2022	**195.33**	**223.21**	**165.67**	**89.42**	**317.49**	**120.42**	**19.76**	**80.88**	**1,212.18**	**466.35**
As at March 31, 2023	**229.18**	**1,126.24**	**739.38**	**127.02**	**440.73**	**145.75**	**144.01**	**87.52**	**3,039.84**	**520.17**
Capital work in progress										
As at March 31, 2022	-	-	-	-	-	-	-	-	240.04	-
As at March 31, 2023	-	-	-	-	-	-	-	-	213.78	-

Note:

Capital-Work-in Progress:

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Ageing Schedule (₹ in million)

Capital-Work-in Progress	As on	Amount of Capital-Work-in Progress for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	203.27	10.51	-	-	213.78
Total		**203.27**	**10.51**	**-**	**-**	**213.78**
Projects in Progress	March 31,2022	240.04	-	-	-	240.04
Total		**240.04**	**-**	**-**	**-**	**240.04**

Capital work in progress - Completion Schedule (₹ in million)

Capital-Work-in Progress	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	213.78	-	-	-	213.78
Total		213.78	**-**	**-**	**-**	213.78
Projects in progress	March 31,2022	240.04	-	-	-	240.04
Total		**240.04**	**-**	**-**	**-**	**240.04**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(b) Intangible Assets : (₹ in million)

Particulars	Goodwill	Other Intangible Assets			
		Trademark/ Brand/ License fees *	Non compete fees	Computer Software	Total
Gross carrying amount:					
As at March 31, 2021	**934.74**	**7,240.41**	**50.00**	**75.84**	**7,366.25**
Additions during the Year	-	125.00	-	65.23	190.23
Deductions during the year	-	-	-	-	-
As at March 31, 2022	**934.74**	**7,365.41**	**50.00**	**141.07**	**7,556.48**
Additions during the Year	-	6,552.10	-	39.90	6,592.00
Addition due to business combination (Refer note 27.1)	2,383.74	6,471.01	-	-	6,471.01
Deductions during the year	-	-	-	-	-
As at March 31, 2023	**3,318.49**	**20,388.52**	**50.00**	**180.97**	**20,619.49**
Accumulated depreciation:					
As at March 31, 2021	**-**	476.10	**46.46**	**18.48**	**541.04**
Additions during the Year	-	424.90	3.54	20.84	449.28
Deductions during the year	-	-	-	-	-
As at March 31, 2022	**-**	901.00	**50.00**	**39.32**	**990.32**
Additions during the Year	-	800.00	-	26.58	826.58
Addition due to business combination (Refer note 27.1)	-	-	-	-	-
Addition due to pre operative expenses	-	-	-	0.06	0.06
Deductions during the year	-	-	-	-	-
As at March 31, 2023	**-**	**1,701.00**	**50.00**	**65.96**	**1,816.96**
Net carrying amount					
As at March 31, 2022	**934.74**	**6,464.41**	**-**	**101.75**	**6,566.16**
As at March 31, 2023	**3,318.49**	**18,687.52**	**-**	**115.01**	**18,802.53**
Intangible assets under development					
As at March 31, 2022	**-**	**-**	**-**	**29.82**	**29.82**
As at March 31, 2023	**-**	**-**	**-**	**3.43**	**3.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note:

Intangible Assets under Development:

Ageing Schedule (₹ in million)

Intangible assets under development	As on	Amount of Intangibles assets under development for a period of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		**-**	**-**	**-**	**3.43**	**3.43**
Projects in Progress	March 31,2022	14.27	12.12	3.43	-	29.82
Total		**14.27**	**12.12**	**3.43**	**-**	**29.82**

Intangible assets under development - Completion Schedule

(₹ in million)

Intangible assets under development	As on	To be completed in				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total		**-**	**3.43**	**-**	**-**	**3.43**
Projects in progress	March 31,2022	26.39	-	3.43		29.82
Total		**26.39**	**-**	**3.43**	**-**	**29.82**

1. The Group test impairment of goodwill on an annual basis. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amounts determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.
The key assumptions for CGUs with significant amount of goodwill as follows:

Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value is taken based on the long term growth rate depending on macro economic growth factors.

Acquired brands are considered as CGU for testing impairment of goodwill amounting to ₹ 3,318.49 millions generated on acquisition of brands.

The Management believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(c) Depreciation and amortisation expense : (₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property plant and equipment	242.72	153.74
Depreciation of right of use assets	101.52	44.03
Amortisation of intangible assets	826.64	449.28
Total	**1,170.88**	**647.05**

(d) Goodwill :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Eris Lifesciences Limited (On strides brand acquisition)	166.60	166.60
Business combination of Aprica Healthcare Limited	768.14	768.14
Business combination of Eris Oaknet Healthcare Private Limited	2,383.74	-
Total	**3,318.49**	**934.74**

* Trademark/ Brand/ License fees addition during the year includes ₹ 2,750 million for acquisition of 9 brands of Dr. Reddy's Laboratories Limited and ₹ 3,400 million for acquisition of 9 brands of Glenmark Laboratories Limited. (Refer note 27.4,27.5)

Note 3: Investments (₹ in million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/ Shares (Numbers)	(₹ in million)	Units/ Shares (Numbers)	(₹ in million)
Non current investments				
(I) At Amortised Cost				
Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of Rs. 10,000 each	500	5.00	500	5.29
Sub-total (I)		**5.00**		**5.29**
(II) At Fair Value through Profit or Loss				
(A) Investment in Mutual Funds (unquoted)(Refer note 3.1 below)				
Kotak Floating Rate Fund Direct Growth	-	-	347,183	426.11
ABSL Banking PSU Fund Growth Direct	-	-	407,032	123.87
HDFC Ultra Short Fund Direct Growth	-	-	62,559,806	776.54
HDFC Floating Rate Income Fund Direct Plan Growth	-	-	9,974,232	399.92
ABSL Floating Rate Fund -Growth Direct	-	-	1,292,840	366.58
ICICI Savings Fund (Low Duration Fund) Direct Plan Growth	-	-	847,618	371.01
Kotak Savings Fund Direct Plan Growth	-	-	11,769,499	424.06
SBI Magnum Ultra Short Duration Fund - Growth Direct	-	-	164,707	806.58
IDFC Corporate Bond Fund Direct Plan Growth	-	-	29,698,080	476.36
		-		**4,171.03**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(₹ in million)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units/ Shares (Numbers)	(₹ in million)	Units/ Shares (Numbers)	(₹ in million)
(B) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.10	1,000	1.18
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.11	1,000	1.16
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.09	1,000	1.16
		3.30		**3.50**
(C) Investment in Equity Instruments				
S3V Vascular Technologies Limited (Unquoted) of Rs.10 each	381,588	28.62	381,588	28.62
Docplix Solutions Private Limited (Unquoted) (Refer note 3.2) of Rs.10 each	2,068	30.01	-	-
		58.63		**28.62**
Sub-total (II=A+B+C)		**61.93**		**4,203.15**
Total (I)+(II)		**66.93**		**4,208.44**
Aggregate carrying value of quoted investments		3.30		3.50
Aggregate market value of quoted investments		3.30		3.50
Aggregate carrying value of unquoted investments		63.63		4,204.94
Current investments				
Investment in NSC (unquoted)	-	0.02	-	0.02
Sub-total (I)		0.02		0.02
(II) At Fair Value through Profit or Loss				
Investment in Mutual funds (unquoted) (Refer note 3.1 below)				
SBI Premier Liquid Fund Direct Growth	-	-	171,801	572.63
SBI Overnight Fund Direct Growth	82,221	300.05	-	-
HDFC Liquid Fund Direct Plan Growth Option	-	-	101,041	422.83
Sub-total (II)		**300.05**		**995.46**
Total (I)+(II)		**300.07**		**995.48**

3.1 Details of pledged securities:

Include ₹ Nil million (31-03-2022 - ₹350.00 million) marked under lien against overdraft facilities availed by the Parent company.

3.2 Eris Healthcare Private Limited (Wholly owned subsidiary) has invested in Docplix Solutions Private Limited for ₹ 30.01 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for the year	746.59	818.24
Deferred tax:		
Deferred tax (benefit) / expense for the year	(441.76)	(454.15)
	304.83	**364.09**
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains / (losses) on defined benefit plans	(0.64)	(5.31)
	(0.64)	**(5.31)**
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	4,046.43	4,421.98
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,402.01	1,561.05
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	65.82	65.48
Effect of income exempt from taxation	(1.47)	(1.23)
Tax incentives	(1,270.11)	(1,214.58)
Brought forward losses for which no deferred tax asset was recognised	(114.47)	-
Adjustment of current tax of prior period	0.26	(11.17)
Others (net)	222.15	(40.77)
Adjusted income tax expense	304.19	358.78
Group's weighted average tax rate	7.52%	8.11%
(d) Income Tax Assets :		
Opening Balance	42.43	38.34
Less: Prior period adjustment	(0.14)	(0.41)
Add: Tax paid in advance, net of provisions / (Refund) during the year	3.19	4.50
Closing Balance	**45.48**	**42.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(e) Income Tax Liabilities : (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	69.97	77.51
Add: Prior period adjustment	1.98	(8.60)
Add: Current tax payable for the year	746.57	829.41
Less: Taxes paid	(779.52)	(828.35)
Closing Balance	**39.00**	**69.97**

(f) Deferred tax assets/ liabilities : (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	58.62	69.87
Minimum Alternate Tax credit entitlement	3,858.34	3,380.04
Carry forward tax losses and accumulated depreciation	12.20	72.19
Employee benefits	58.13	48.93
Fair Valuation of Investment	1.51	-
Other	16.86	25.70
	4,005.66	**3,596.73**
Deferred tax liabilities		
Intangible Assets	3,842.60	1,572.54
Fair Valuation of Investment	-	53.79
	3,842.60	**1,626.33**
Total	**163.06**	**1,970.40**

The deferred tax liabilities / assets are off-set, where the Group has a legally enforceable right to set-off assets against liabilities, and are presented in balance sheet as follows:

(₹ in million)

Deferred tax assets	2,739.45	2,431.34
Deferred tax liabilities	2,576.38	460.94
Net Deferred Tax	**163.06**	**1,970.40**

The Group is reasonably certain that future taxable income will be available against which deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that related tax benefit will be realised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(₹ in million)

Particulars	Property, plant and equipment	Minimum Alternate Tax credit entitlement	Carry Forward Losses and accumulated depreciation	Employee benefits	Intangible assets	Fair Valuation of Investment	Other	Total
(g) Movement in Deferred tax Assets/(Liabilities) relates to :								
At March 31, 2023	**135.57**	**2,779.46**	**40.97**	**55.90**	**(1,516.15)**	**(4.53)**	**19.72**	**1,510.94**
Charged/(Credited)								
- To Profit or Loss	65.70	(600.58)	(31.22)	12.28	56.39	49.26	(5.98)	(454.15)
- To other comprehensive Income	-	-	-	(5.31)	-	-	-	(5.31)
At March 31, 2022	**69.87**	**3,380.04**	**72.19**	**48.93**	**(1,572.54)**	**(53.79)**	**25.70**	**1,970.40**
Charged/(Credited)								
- To Profit or Loss	11.25	(478.30)	59.99	(8.56)	20.32	(55.30)	8.84	(441.76)
- Addition due to business combination (Refer note 27.1)	-	-	-	-	2,249.74	-	-	2,249.74
- To other comprehensive Income	-	-	-	(0.64)	-	-	-	(0.64)
At March 31, 2023	**58.62**	**3,858.34**	**12.20**	**58.13**	**(3,842.60)**	**1.51**	**16.86**	**163.06**

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current (Considered Good)		
Security deposits	74.69	44.96
Fixed Deposits	1.84	-
	76.53	**44.96**
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	0.50	0.54
FIxed Deposits	-	618.99
Interest accrued	0.64	18.27
Security deposits	1.45	29.91
Claims and Other receivables		
- Considered Good	5.20	7.17
- Considered doubtful	48.10	48.10
Less: Allowance for doubtful of recovery	(48.10)	(48.10)
	7.79	**674.88**
Total	**84.32**	**719.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Capital Advances	117.90	243.43
Claims and Other receivables	50.00	-
Prepaid expenses	21.89	-
	189.79	**243.43**
Current		
Prepaid expenses	172.83	214.39
Balances with government authorities		
Goods and Services Tax / Cenvat credit receivable	1,565.62	218.71
Others	3.04	4.36
Expected Reimbursement Towards Likely Sales Return (Refer note 1.4b)	45.00	-
Advance to supplier	680.75	618.42
Advances to employees	6.25	4.97
	2,473.49	**1,060.85**
Total	**2,663.28**	**1,304.28**

Current assets Hypothecated against working capital loan.

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material and Packing Material {including goods-in-transit ₹ 15.65 million (March 31, 2022 - ₹ 11.83 million)}	446.99	387.84
Work-in-progress	38.44	19.78
Finished goods	203.77	232.51
Stock-in-trade {including goods-in-transit ₹ 14.33 million (March 31, 2022 - ₹ 35.72 million)}	615.54	528.62
Stores, spares & consumables	9.61	10.36
Total	**1,314.35**	**1,179.11**

Current assets Hypothecated against working capital loan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Considered good	-	-
Unsecured Considered good	2,927.09	1,609.68
Considered doubtful	27.09	27.09
Trade Receivables-credit impaired	8.09	8.09
	2,962.27	1,644.86
Less: Allowance for doubtful debt (expected credit loss)	35.18	**35.18**
Total	**2,927.09**	**1,609.68**

No dues from directors.

Current assets Hypothecated against working capital loan.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	35.18	35.18
Add : Provision during the year	-	-
Less : Utilisation during the year	-	-
Closing Balance	**35.18**	**35.18**

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	March 31,2023	-	2,635.37	261.25	15.00	14.96	0.51	-	2,927.09
	March 31,2022	-	1,266.02	318.40	14.87	9.99	0.14	0.26	1,609.68
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	27.09	-	-	27.09
	March 31,2022	-	-	17.09	-	10.00	-	-	27.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2023	-	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment							
		Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2023	-	-	-	-	0.09	0.80	7.20	8.09
	March 31,2022	-	-	-	-	0.59	5.28	2.22	8.09
Total	**March 31,2023**	**-**	**2,635.37**	**261.25**	**15.00**	**42.14**	**1.31**	**7.20**	**2,962.27**
	March 31,2022	**-**	**1,266.02**	**335.49**	**14.87**	**20.58**	**5.42**	**2.48**	**1,644.86**

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Cash on hand	0.28	1.19
Balances with banks in current accounts*	559.94	402.35
Cheque in hand	-	105.16
	560.22	**508.70**
(b) Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender deposit	24.35	14.57
Total	**584.57**	**523.27**

*Includes Unclaimed Dividend of ₹ 1.05 million (Previous year ₹ 0.76 million).

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
Loans Receivables considered good - Unsecured	9.64	28.20
	9.64	**28.20**
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	39.86	230.03
Loans Receivables which have significant increase in Credit Risk	5.66	3.67
Loans Receivables - credit impaired	-	-
	45.52	**233.70**
Less: Allowance for doubtful loan to others	(5.66)	(3.67)
	39.86	230.03
Total	**49.50**	**258.23**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised:		
30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹1 each	300.00	300.00
Total	**300.00**	**300.00**
Issued, Subscribed and Fully Paid-up :		
13,59,92,238 (Previous year 13,59,30,197) Equity Shares of ₹1 each, fully paid up	135.99	135.93
Total	**135.99**	**135.93**

11.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	No. of equity shares	₹ in million
Shares outstanding at March 31, 2021	135,780,653	135.78
Issued during the year (persuant to ESOP - refer Note 33)	149,544	0.15
Shares outstanding at March 31, 2022	135,930,197	135.93
Issued during the year (persuant to ESOP - refer Note 33)	62,041	0.06
Shares outstanding at March 31, 2023	135,992,238	135.99

11.2 Details of shareholders holding more than 5 % equity shares in the Parent company as at the end of the year

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	55,535,144	40.84%	54,759,132	40.28%
2. Rakeshbhai Bhikhabhai Shah	15,685,981	11.53%	15,684,407	11.54%
3. Bhikhalal Chimanlal Shah	5,868,689	4.32%	8,868,689	6.52%
4. Emerald Investments Limited	10,312,132	7.58%	7,477,132	5.50%

11.3 Details of promoters share holding in the company as at the end of the year

Name of the shareholder	As at March 31, 2023			As at March 31, 2022	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhusan Bakshi	55,535,144	40.84%	1.42%	54,759,132	40.28%
2. Rajendrakumar Rambhai Patel	5,939,834	4.37%	0.00%	5,939,834	4.37%
3. Inderjeet Singh Negi	5,939,833	4.37%	0.00%	5,939,833	4.37%
4. Kaushal Kamleshkumar Shah	4,468,833	3.29%	0.00%	4,468,833	3.29%
5. Himanshu Jayantbhai Shah*			-100.00%	475,801	0.35%

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

*Vide letter dated June 29, 2022, the BSE Limited and National Stock Exchange of India Ltd. approved the reclassification of Mr. Himanshu Jayantbhai Shah from the 'Promoter' Category to the 'Public' Category. He is holding shares 4,75,801 as on March 31, 2023.

11.4 Terms / Rights attached to the equity shares:

The Parent Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareParent.

11.5 Share options granted under the Parent Company's employee share option plan:

The Parent Company recognizes compensation expense relating to share-based payments in statement of profit and loss using fair value in accordance with Ind AS 102, share based payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance multiple awards with a corresponding increase to share options outstanding account.

11.6 Dividend:

The Board of Directors of the Parent Company has declared and paid an interim dividend of ₹ 7.35/- (at the rate of 735 Percent) per equity share of the face value of ₹ 1/- each for the financial year 2022-23 at its meeting held on August 05, 2022.

Note 12(a) : Other Equity (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	21,559.30	18,736.53
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Securities Premium	151.01	106.13
Share Application Money Pending Allottment	-	4.51
Share based payment reserve	28.02	14.45
Capital redemption reserve	1.74	1.74
Total	**21,823.89**	**18,947.18**

Retained Earnings : Retained Earnings are the profits that the group has earned till date less any transfer to general reserve, dividends and other distributions to shareholder. **Share based payment reserve :** The fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve.

Capital redemption reserve : The Parent Company is required to create capital redemption reserve in accordance with provisions of the Companies Act 2013 for buy back of shares.

Capital reserve on Amalgamation of subsidiaries : Capital reserve on amalgamation of subsidiaries is created pursuant to a scheme of amalgamation and shall not be considered to be a reserve created by company.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 12(b) : Non-controling interest (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Eris M.J.Biopharm Private Limited	(81.01)	(1.08)
Eris Pharmaceuticals Private Limited	(0.05)	-
Eris Oaknet Healthcare Private Limited	327.95	-
Total	**246.89**	**(1.08)**

Note 13: Borrowings (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Secured		
From Banks - Term Loan	6,444.47	450.00
	6,444.47	**450.00**
Current		
(a) Secured		
Current maturity of long term Loan	1,305.58	-
From Banks - Working capital Loan	550.00	-
Unsecured loan from Others	0.11	0.11
	1,855.69	**0.11**
Total	**8,300.16**	**450.11**

Eris Lifesciences Limited

1. Term Loan of ₹ 2,620 million (previous year ₹ NIL) was obtained by Parent company Eris Lifesciences Limited from Axis Bank and same is repayable in 20 quarterly instalments starting from June 2023. The loan is secured by way of exclusive charge on the Brand / Trademark acquired on acquisition from Dr Reddy's Laboratories Limited.
2. Working capital Loan of ₹ 550 million (previous year ₹ NIL) are secured by way of current assets.

Charge on Working capital loan is yet to be created.

Eris Therapeutics Limited

Term loan of ₹ 1,500 million (Previous Year ₹ 450 million) was obtained by Eris Therapeutics Limited (Wholly owned subsidiary) from Citi Bank Ltd and same is repayable in 16 quarterly instalments starting from June 2023. The loan is secured by pledge over land and building and hypothecation over Eris Therapeutics Limited's tangible movable property, plant and equipment and corporate guarantee from Parent company. The loan carries interest rate linked to treasury rates. Interest on loan is payable on monthly basis.

Eris Therapeutics Limited has availed working capital facility of ₹ 200 million for which hypothecation has been created over stock and trade receivables of the Eris Therapeutics Limited .

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

The Parent company has given corporate guarantee to bank for credit facilities upto ₹ 1,700 million availed by Eris Therapeutics Limited As per the deed of corporate guarantee, the Parent company has undertaken not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)
Term loan for ₹ 1,318 million is secured by First Pari-passu charge on brand portfolio acquired by Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) and secured by corporate guarantee of Parent company, having Total Tenor of 3 years from the date of first drawdown, repayable in 12 equal quarterly installments.

Term loan for ₹ 2,320 million is secured by Paripassu charge between all lenders by way of assignment of interest on the portfolio of incoming brands of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) to the extent it satisfies minimum security cover of 1.1x and unconditional and irrevocable corporate guarantee by Parent company having Total Tenor of 20 quarters from the date of first disbursement, repayable in 3rd & 4th quarter - 5%, repayable in 5th to 12th quarter - 40%, repayable in 13th to 16th quarter - 25% and repayble in 17th to 20th quarter - 30%

Note 14: Other financial liabilities (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current		
(a) Lease Liabilities		
Lease liabilities	389.74	353.94
	389.74	353.94
(b) Other financial liabilities		
Trade deposits	69.18	34.06
	69.18	34.06
	458.92	**388.00**
Current		
(a) Lease Liabilities		
Lease liabilities	77.21	40.02
	77.21	**40.02**
(b) Other financial liabilities		
Trade deposits	33.03	0.80
Book overdraft *	151.11	92.59
Dividend Payable	1.05	0.76
Interest accrued	27.38	
Payable towards purchase of property plant and equipment	88.58	27.97
	301.15	**122.12**
	378.36	**162.14**
Total	**837.27**	**550.14**

* Current assets are hypothecated against WCDL Limit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	77.93	65.06
Gratuity	38.81	8.92
Provision for sales returns (Refer note below)	324.45	247.16
	441.19	**321.14**
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	40.82	36.18
Gratuity	40.65	21.10
Provision for sales returns (Refer note below)	612.90	333.29
	694.37	**390.57**
Total	**1,135.56**	**711.71**

Provision for sales returns :

The Group, as a trade practice, accepts returns from market which are primarily in the nature of expired or near expiry products. Provision is made for such returns on the basis of historical experience, market conditions and specific contractual terms. At the time of recognising provision for sales return expected reimbursement towards likely sales return is recognied, which is included in other current assets for the products expected to be returned.

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Provision	580.45	464.84
Add : Addition due to business combination (Refer note 27.1)	152.49	-
Add : Provision during the year	324.84	369.86
Less : Utilisation during the year	120.43	254.25
Closing Provision	937.35	580.45
Long Term	324.45	247.16
Short Term	612.90	333.29
Total	937.35	580.45

Note 16: Other liabilities

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred Capital Subsidy Non Current*	18.21	22.82
Other payables	95.01	-
	113.22	**22.82**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Statutory liabilities	179.20	152.37
Advances from customers	33.35	38.71
Deferred Capital Subsidy Current*	4.67	4.85
	217.22	**195.93**
Total	**330.44**	**218.75**

* Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under the North East Industrial & Investment Promotion Policy (NEIIPP)

Note 17: Trade payables

(₹ in million)

	As at March 31, 2023	As at March 31, 2022
Due to micro and small enterprises (refer note-34)	187.52	71.80
Due to others	1,060.17	1,105.94
Total	**1,247.69**	**1,177.74**

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						
		Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	March 31,2023	-	94.64	91.76	1.11	-	-	187.52
	March 31,2022	-	38.71	33.09	-	-	-	71.80
(ii) Others	March 31,2023	-	676.09	374.84	4.67	2.21	2.36	1,060.17
	March 31,2022	-	745.31	357.20	0.94	0.04	2.45	1,105.94
(iii) Disputed dues - MSME	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2023	-	-	-	-	-	-	-
	March 31,2022	-	-	-	-	-	-	-
Total	**March 31,2023**	-	**770.73**	**466.61**	**5.78**	**2.21**	**2.36**	**1,247.69**
	March 31,2022	-	**784.02**	**390.29**	**0.94**	**0.04**	**2.45**	**1,177.74**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of products	16,618.16	13,261.68
Other operating income		
Goods And Services Tax refund	225.33	206.41
Others	8.00	2.34
	233.33	**208.75**
Total	**16,851.49**	**13,470.43**
Revenue as per contracted price, net of returns	17,418.30	13,740.80
Less : Provision for sales return	324.84	369.86
Less : Scheme, discount and others	475.30	109.26
Revenue from contracts with customers	16,618.16	13,261.68

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 19: Other income

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest income	22.99	60.98
Net gain on sale of investments	71.27	21.73
Net gain on investments carried at fair value through profit or loss	0.05	144.36
Deferred Capital Subsidy (Refer note 19.1)	4.78	4.83
Gain on termination of lease	-	18.68
Miscellaneous income	12.44	10.36
Total	**111.53**	**260.94**

19.1 Deferred Capital Subsidy

Capital subsidy represents Central Capital Investment Subsidy received during the financial year 2018-19 under North East Industrial & Investment Promotion Policy (NEIIPP).

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Raw materials and packing materials		
Opening stock	387.84	168.64
Add: Addition due to business combination	67.66	-
Add: Purchases during the year	1,377.00	1,394.93
Add: Job work charges	36.48	-
Less: Closing stock	(446.99)	(387.84)
Total	**1,421.99**	**1,175.73**

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Inventories at the beginning of the year		
Stock-in-trade	528.62	494.57
Finished goods	232.51	252.16
Work-in-progress	19.78	26.42
	780.91	773.15
Addition due to business combination (Refer note 27.1)		
Stock-in-trade	73.42	-
Finished goods	41.60	-
	115.02	-
Inventories at the end of the year		
Stock-in-trade	615.54	528.62
Finished goods	203.77	232.51
Work-in-progress	38.44	19.78
	857.75	780.91
Net (increase) / decrease in stocks	**38.18**	**(7.76)**

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages and bonus	3,109.54	2,233.20
Contribution to provident and other funds (Refer note 28)	175.17	137.41
Share based payments to employees (Refer note 33)	31.21	13.55
Staff welfare expenses	145.65	117.63
Total	**3,461.57**	**2,501.79**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Power and fuel	57.02	41.64
Consumption of stores and spares (Indigenous)	47.28	22.88
Labour and security	29.27	27.69
Testing charges	18.59	10.17
Rent (Refer note 32)	22.20	32.45
Formulation Development Expense	61.00	327.38
Freight and forwarding	192.72	194.55
Commission	268.91	197.37
Advertising, publicity and awareness	63.85	87.47
Repairs and maintenance	89.47	55.14
Selling and distribution	1,326.17	734.51
Commission and sitting fees to independent directors	16.80	20.73
Representative Allowance	655.93	505.14
Travelling and conveyance	717.86	343.72
Communication	15.63	10.19
Legal and professional	433.41	473.64
Rates and taxes	92.19	80.87
Insurance	11.94	15.20
Payments to auditors (Refer note below)	10.77	5.06
Loss on property plant and equipment sold/written off	20.05	42.54
Corporate social responsibility expenditure	76.36	66.39
Donations	0.08	1.39
Bank charges	1.77	0.73
Bad debt written off	0.50	0.02
Miscellaneous	269.19	237.04
Total	**4,498.96**	**3,533.91**

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Statutory Audit fee	9.22	3.56
Certification fees and other services	1.55	1.50
Total	**10.77**	**5.06**
Certification fees and other services charged, debited to other than profit and loss account	2.06	-
Grand Total	**12.83**	**5.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense	227.26	13.23
Interest on Lease liability	34.42	28.23
Total	**261.68**	**41.46**

Note 25: Earnings per share

(₹ in million)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Net profit after tax for the year (₹ in million)	3,821.58	4,061.13
Weighted average number of equity shares outstanding for basic earning per share	135,978,947	135,873,030
Add : Dilutive share -Employees stock options outstanding	189,163	41,464
Weighted average number of equity shares outstanding for diluted earning per share	136,168,109	135,914,494
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	28.10	29.89
Diluted earnings per share (in ₹)	28.07	29.88

Note 26: Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group chief operating decision maker is the managing director and the group has only one reportable business segment i.e. 'pharmaceuticals'.

Note 27 : Mergers And Acquisition

Note 27.1 : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)

During the year, the Parent Company has completed acquisition of 100% stake in Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) and obtained control on May 12, 2022 from its erstwhile shareholders for a consideration of ₹ 6,554.90 Million (including transaction cost). Further compulsory convertible debentures issued by EOHPL to its erstwhile shareholders has been considered as instruments in the nature of equity resulting into non-controling interest in Consolidated financial statement.

Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) business predominantly comprised of brands in Dermatology and Women's Health segments. The acquisition will provide robust growth platform in the areas of Dermatoloy and Cosmetology.

The acquisition has been accounted for using the acquisition method of accounting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

The following assets and liabilities were recognised as at the date of acquisition (at fair value):

Particulars	₹ in million
Assets	
Value of Identified Intangible Assets- Brands	6,471.01
Inventories	182.68
Trade Receivables	146.70
Tangible assets	8.94
Right-of-use-asset	25.07
Cash and cash equivalents	74.90
Bank balances other than above	4.63
Income tax assets (net)	8.54
Other financial and other assets (Current and Non Current)	106.90
Total Assets	**7,029.37**
Liabilities	
Trade Payable	174.91
Other Liabilities	452.43
Total Liabilities	**627.34**
Net Assets	**6,402.03**
Less: Purchase consideration *	6,536.04
Goodwill (refer note below)	**134.01**
Goodwill (Related to deferred tax liability on intangible asset)	2,249.73
Total Goodwill	**2,383.74**

The fair value of trade receivables acquired as part of the business combination amounted to ₹ 146.70 million and the same is the Contractual amount of such receivables.

Goodwill arose in the acquisition of the above said entity because the consideration paid for the combinations effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.
None of the goodwill is expected to be deductible for income tax purposes.

From the date of acquisition, EOHPL has contributed total revenue of ₹ 2,268.48 Million and profit after tax of ₹ 454.81 Million to the Group. If the business combination had taken place at the beginning of the year, total revenue would have been ₹ 2,525.44 Million and profit after tax would have been ₹ 477.00 Million.

In view of this acquisition, the figures of year ended March 31, 2022 are not comparable with the current year figures.

Note 27.2 : Arrangement with M. J. Biopharm Private Limited

During the financial year 2021-22, Eris announced the execution of definitive agreements on December 03, 2021 with Mumbai-based M. J. Biopharm Private Limited marking Eris' foray into the field of Biopharmaceuticals. Pursuant to this, the Company's

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

wholly owned subsidiary Eris M.J. Biopharm Private Limited has issued fresh shares to M.J. Biopharm Private Limited, following which Eris is Parent a 70% stake in Eris M.J. Biopharm Private Limited and remaining 30% is held by M. J. Biopharm Private Limited. The initial contracted tenure of the arrangement is 10 years. On January 12, 2022, the said transaction has achieved completion.

Note 27.3 : Amalgamation and Demerger of subsidiary companies

During the Financial Year 2022-23, on December 23, 2022 Honorable National Company Law Tribunal has approved the scheme of arrangement (''the Scheme'') under section 230 and 232 of the Companies Act, 2013. Pursuant to the Scheme, one of the divisions of Eris Healthcare Private Limited - a wholly owned subsidiary of Eris Lifesciences Limited (the ''Company'') as represented by certain brands and related assets and liabilities is demerged and merged into Aprica Healthcare Limited - a wholly owned subsidiary of the Company with effect from April 1, 2021. This transaction does not have any impact on the Consolidated financial statement of the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 27.4 : Acquisition of Brands of Dr. Reddy's Laboratories Limited

During the year, the Parent Company has completed acquisition of 9 brands of Dr. Reddy's Laboratories Limited for a consideration of ₹ 2,750 Million.

Note 27.5 : Acquisition of Brands of Glenmark Pharmaceuticals Limited

During the year, the Company's wholly owned subsidiary Eris Oaknet Healthcare Private Limited (formerly known as Oaknet Healthcare Private Limited) has completed acquisition of 9 brands of Glanemark Pharmaceuticals Limited for a consideration of ₹ 3,400 Million.

Note 28: Employee Benefit Plan

A) Defined contribution plans:

The Group makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Group recognized ₹125.55 million (Previous Year ₹86.93 million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of the scheme. The Group made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Group recognized ₹ 4.87 million (Previous year ₹ 3.90 million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme."

B) Defined benefit plans:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Group rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 22.66 million (Previous Year ₹ 20.01 million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

The Parent Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.6 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date. The following table sets out the status of the gratuity plan as required under IND AS-19 and the amounts recognized in the Group's financial statements as at March 31, 2023.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	**195.66**	**171.59**
Current Service Cost	32.62	26.06
Transfer in/(out) obligation	0.13	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Past Service Cost	8.92	-
On Account of acquisition	37.46	-
Interest Cost	2.52	7.79
Actuarial (gain)/loss on obligation	-	-
- Due to change in Financial Assumptions	(16.55)	(2.17)
- Due to change in Demographic Assumptions	2.60	-
- Due to experience adjustments	13.17	16.93
Benefits paid	(31.24)	(24.54)
Obligations at the end of the year	**245.29**	**195.66**

(b) Reconciliation of opening and closing balances of the fair value of plan assets :		
Fair value of plan assets at the beginning of the year	**165.64**	**147.92**
Interest Income	8.55	7.11
Expected returns on plan assets	(1.42)	(0.37)
Employer Contributions	16.76	35.52
Benefits paid	(23.70)	(24.54)
Fair Value of plan assets at the end of the year	**165.83**	**165.64**

(₹ in million)

(c) Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	**245.29**	**195.66**
Less : Fair value of plan assets	(165.83)	(165.64)
Funded status (deficit)	79.46	30.02
Net liability recognised in the financial statement	**79.46**	**30.02**

(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	41.54	26.06
Interest Cost	(6.03)	0.68
Expense charged to the statement of profit and loss	35.51	26.74
Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.42	0.37
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	(16.55)	(2.17)
- Due to change in Demographic Assumptions	2.60	-
- Due to experience adjustments	13.17	16.93
Expense charged to other comprehensive income	**0.64**	**15.13**
Assumptions:		

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Discount rate	7.30%	5.65% to 6.85%
Estimated rate of return on plan assets	7.30%	5.65% to 6.85%
Annual increase in salary costs	5% to 6%	5% to 6%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement age	60 years	60 years
Sensitivity Analysis:		
Impact on defined benefit obligation		
Increase of 0.5% in discount rate	244.36	193.37
Decrease of 0.5% in discount rate	246.49	198.06
Increase of 0.5% in salary escalation rate	246.39	197.85
Decrease of 0.5% in salary escalation rate	244.40	193.54
Expected future Cash outflows towards the plan are as follows :		
Year 1	80.42	70.86
Year 2	55.25	43.07
Year 3	44.08	31.96
Year 4	31.26	23.34
Year 5	24.94	16.46
Year 6 to 10	48.70	32.38
Investment details of plan assets:		
Particulars	**March 31, 2023 %**	**March 31, 2022 %**
Insurer managed funds with Life Insurance Corporation of India	95%	95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	5%	5%

Notes:

1. The plan assets which are managed by Insurance Company viz Life Insurance Corporation of India, details of those funds invested by the insurer are not available with company.
2. The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
4. The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
5. The expected contr ibution to be made by Group for gratuity during financial year ending March 31, 2024 is ₹ 27.19 million (previous year ₹ 17.28 million).

Note 29: Fair Value Measurement

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows : (₹ in million)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

	As at March 31, 2023		As at March 31, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	2,927.09	2,927.09	1,609.68	1,609.68
Cash and cash equivalents	560.22	560.22	508.70	508.70
Other bank balances	24.35	24.35	14.57	14.57
Investment in tax free bonds	5.00	5.00	5.29	5.29
Loans	49.50	49.50	258.23	258.23
Other Financial Asset	84.32	84.32	719.84	719.84
Investment in NSC	0.02	0.02	0.02	0.02
Fair value through profit or loss :				
Investment in mutual funds	300.05	300.05	5,166.49	5,166.49
Investment in equity instruments	58.63	58.63	28.62	28.62
Investment in tax free bonds	3.30	3.30	3.50	3.50
Total	**4,012.48**	**4,012.48**	**8,314.94**	**8,314.94**
Financial Liabilities :				
Amortised cost :				
Borrowings	8,300.16	8,300.16	450.11	450.11
Trade payables	1,247.69	1,247.69	1,177.74	1,177.74
Lease Liabilities	466.95	466.95	393.96	393.96
Other financial liabilities	370.33	370.33	156.18	156.18
Total	**10,385.13**	**10,385.13**	**2,177.99**	**2,177.99**

(ii) Fair value hierarchy :

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in million)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	300.05	-	-	300.05
Equity instruments	-	-	58.63	58.63
Tax free bonds	3.30	-	-	3.30
Total	**303.35**	**-**	**58.63**	**361.98**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**303.35**	**-**	**58.63**	**361.98**

(₹ in million)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	5,166.49	-	-	5,166.49
Equity instruments	-	-	28.62	28.62
Tax free bonds	3.50	-	-	3.50
Total	**5,169.99**	**-**	**28.62**	**5,198.61**
Financial Liabilities :	**-**	**-**	**-**	**-**
Net Assets/(Liabilities)	**5,169.99**	**-**	**28.62**	**5,198.61**

Determination of fair values:

The following are the basis of assumptions used to estimate the fair value of financial assets and liabilities that are measured at fair value on recurring basis.

Investment in mutual funds : The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Equity investments : Equity investments traded in an active market determined by reference to their quoted market prices. Other equity investments where quoted prices are not available, fair values are determined by reference to the current market value of net assets or relied upon on valuation report of an valuer.

(iii) Financial risk management :

The Group activities are exposed to variety of financial risks. These risks include market risk , credit risks and liquidity risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion. Market risk comprises of three type of risks namely interest rate risk, currency risk and other price risk such as equity

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

price risk. Group is not exposed to currency risk and other price risk whereas the exposure to interest risk is given below :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate.

The Group invests in mutual fund schemes of leading fund houses and tax free bonds. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. Investments in mutual funds and tax free bonds amounts to ₹ 303.35 million and ₹ 5,169,99 million as at March 31, 2023 and March 31, 2022 respectively.

(b) Credit Risk

The Group is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Group. Credit risk arises majorly from cash and cash equivalents, deposits with banks, Investments as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Group receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 3,982.47 million and ₹ 8,314.94 million as at March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, loans, other financial assets and investments, and these financial assets are of good credit quality including those that are past due.

(c) Liquidity Risk

Liquidity Risk is the risk that the Group will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the group could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Group generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below :

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

(₹ in million)

As at March 31, 2023	Less than 1 year	1-3 years	More than 3 years
Borrowings	1,855.69	3,604.67	2,839.80
Trade payables	1,247.69	-	-
Lease Liabilities	107.79	195.08	274.37
Other financial liabilities	301.15	-	69.18
	3,512.32	3,799.74	3,183.35

(₹ in million)

As at March 31, 2022	Less than 1 year	1-3 years	More than 3 years
Borrowings	0.11	225.00	225.00
Trade payables	1,177.74	-	-
Lease Liabilities	66.58	135.82	310.53
Other financial liabilities	122.12	-	34.06
	1,366.55	**360.82**	**569.59**

(iv) Capital management

The capital structure of the Group consists of equity, debt, cash and cash equivalents. The Group objective for capital management is to maintain the capital structure which will support the Group strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Group.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

The Group's adjusted net debt to equity ratio was as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
Total loans and borrowings	8,767.11	844.07
Less : Cash and bank balances	560.22	508.70
Adjusted net debt	**8,206.89**	**335.37**
Total equity	**21,959.88**	**19,083.11**
Adjusted net debt to adjusted equity ratio	**0.37**	**0.02**
Debt equity considering only borrowings as debt	**0.40**	**0.04**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023; March 31, 2022.

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2023, the Company has floating rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. For the year ended 31 March 2023, every 1% increase or decrease in the floating interest rate component (i.e., Treasury bill) applicable to its borrowings would affect the Company's profit before tax by ₹ 77.17 million (Previous year ₹ 4.50 million)

Note 30: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

1. Key Managerial Personnel	
Managing Director	Mr. Amit Bakshi
Whole time director	Mr. Inderjeet Singh Negi
Whole time director	Mr. Kaushal Shah
Whole time director	Mr. Krishnakumar Vaidyanathan
Independent Director	Mr. Rajeev Dalal
Independent Director	Ms. Kalpana Vasantrai Unadkat
Independent Director (Upto July 19, 2022)	Mrs. Vijaya Sampath
Independent Director	Mr. Prashant Gupta
Independent Director (From July 25, 2022)	Mr. Sujesh Vasudevan
Chief Financial Officer	Mr. Sachin Shah
Company Secretary	Mr. Milind Talegaonkar

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

2. Close family member of Key Management Personnel	
Son of Mr. Amit Indubhushan Bakshi (Managing director) (From June 01,2021)	Mr. Parv Bakshi
3. Other Related parties	
Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
Entity controlled by relative of Key Managerial Personnel	Tresna Foundation
Promotor	Mr. Rajendra Patel
Key Managerial Personnel of subsidiary (w.e.f. September 01, 2022)	Mr. Gagan Atreja
Key Managerial Personnel of subsidiary (w.e.f. November 11, 2022)	Ms. Shreya Mohan
Promotor (Upto June 29, 2022)	Mr. Himanshu Shah
Firm in which director is a partner	Shardul Amarchand Mangaldas & Co
Firm in which director is a partner	Khaitan & Co.
Entity controlled by Promotor (w.e.f. April 01, 2022)	Shah & Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Entity controlled by Key Managerial Personnel	Horizon Blue Ventures LLP

B) Total Transactions with related parties are as follows:

Particulars	Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
(A) Nature of transactions	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
Remuneration	134.02	119.34	-	-	-	-	134.02	119.34
Sitting fees	3.30	3.23	-	-	-	-	3.30	3.23
Reimbursement of expense incurred	2.25	2.17	-	-	-	-	2.25	2.17
Commission	13.50	17.50	-	-	-	-	13.50	17.50
Stock Options exercised	0.38	3.77	-	-	-	-	0.38	3.77
Salary expense	-	-	0.51	0.28	-	-	0.51	0.28
Corporate Social Responsibility	-	-	-	2.10	-	-	-	2.10
Contribution to Post-employment benefit plan	-	-	-	-	-	16.28	16.76	16.28
Purchase of Stock-in-trade	-	-	-	-	-	-	63.28	-
Reimbursement of expense incurred	-	-	-	-	5.72	-	5.72	-
Sale of goods	-	-	-	-	0.23	-	0.23	-
Remuneration to promotor	-	-	-	-	5.52	-	5.52	-
Commission to entity controlled by promotor	-	-	-	-	8.10	-	8.10	-
Professional fees to firm in which director is a partner	-	-	-	-	16.14	-	16.14	-
Professional fees (Capitalised to intangible) to firm in which director is a partner	-	-	-	-	7.84	-	7.84	-
Remuneration to Key Management Personnel of subsidiaries	-	-	-	-	11.67	-	11.67	-
Reimbursement of expense to Key Management Personnel of subsidiaries	-	-	-	-	0.27	-	0.27	-

(B) Balances at the end of the year	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**	**As at March 31,2023**	**As at March 31,2022**
Trade Payable	7.74	16.14	0.04	0.03	11.18	-	18.96	16.17
Loan	-	-	-	-	0.10	-	0.10	-

* Key Managerial Personnel who are under the employment of the Company are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

C) Transactions with related parties are as follows: (₹ in million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Key Management Personnel compensation		
	Trade payable	7.74	16.14
2	Close family member of Key Management Personnel compensation		
	Trade payable	0.04	0.03
3	Other Related parties		
	Loan	0.10	-
	Trade payable	11.18	-

Note 31: Contingent Liability and Capital Commitment : (₹ in million)

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	182.42	173.52
Notices regarding Income-tax matters and from sales tax department	27.27	2.74
Others (Includes ₹ 50 million {Previous year ₹ Nil} {refer note 6})	74.18	68.83

Note: The Parent Company has received notices from NPPA (National Pharmaceutical Pricing Authority), under DPCO (Drug Price Control Order), 2013 during earlier year. Management does not expect any cash outflow from this matter.

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for ₹ 28.40 (Previous year ₹ 28.92 million).

Note 32: Leases Rent Ind AS 116:

The movement in lease liability and Right of use assets is given as under as per IND AS 116. (₹ in million)

Changes [increase/(decrease)]	For Year ended March 31, 2023	For Year ended March 31, 2022
Depreciation	101.53	44.03
Finance costs on lease liability	34.42	28.23
Cash Flow From Lease	(87.12)	(115.66)
Cash Flow From Lease interest	(34.42)	(28.23)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Note 33: Employee Stock Option Plan (ESOP)

A. Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on February 02, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on February 03, 2017 and subsequently in the eleventh annual general meeting held on September 29, 2017 shareholders ratified the same. Under the scheme, 391,599 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 451.04. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant i.e. April 12, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options. 1,14,736 and 98,107 options have lapsed till March 31, 2022 and March 31, 2021 respectively.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method is ₹ 16.40 million (Previous year ₹ 13.55 million).

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	1,07,536	451.04	2,73,709	451.04
Granted during the year	-	-	-	-
Vested during the year	53,710	451.04	59,197	451.04
Exercised during the year	60,520	451.04	1,49,544	451.04
Lapsed during the year	-	451.04	16,629	451.04

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Options outstanding at the end of the year	47,016	451.04	1,07,536	451.04
Options available for grant	1,14,736	-	98,107	-
Options exercisable at the end of the year	47,016	-	53,826	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**April 12, 2017**
	Weighted average
Stock Price (₹)	601.38
Volatility	20.56%
Risk-free Rate	6.91%
Exercise Price (₹)	451.04
Time To Maturity (In years)	5.50
Dividend yield	1.00%
Option Fair Value (₹)	**268.77**

B. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equit shares have been approved in Annual General Meeting out of which, 2,14,102 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 557.24. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2022. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ 14.81 previous year NIL.

Employee stock options details as on the balance sheet date are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,14,102	557.24	-	557.24
Granted during the year	-	-	2,14,102	-
Vested during the year	53,512	557.24	-	557.24
Exercised during the year	1,521	557.24	-	557.24
Lapsed during the year	22,443	557.24	-	557.24
Options outstanding at the end of the year	1,90,138	557.24	2,14,102	557.24
Options available for grant	8,64,960	-	11,44,528	-
Options exercisable at the end of the year	47,173	-	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**February 10, 2022**
	Weighted average
Stock Price (₹)	696.55
Volatility	33.38%
Risk-free Rate	6.37%
Exercise Price (₹)	557.24
Time To Maturity (In years)	7.50
Dividend yield	0.76%
Option Fair Value (₹)	**341.62**

C. Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan")

The Parent Company has introduced 'Eris Lifesciences Long Term Incentive Plan, 2021' ("Employee Stock Option Plan"/ "Plan") through the resolution passed by the Board of Directors on July 29, 2021 and the same was approved by the shareholders at the annual general meeting held on September 01, 2021. Under the scheme 13,58,630 equity shares have been approved in Annual General Meeting out of which, 2,79,568 equity shares have been granted to eligible employees of the company and each option (after it is vested) is exercisable for one equity share having face value of ₹ 1 each for an exercise price of ₹ 510.32. Vesting of the options shall take place over a maximum period of 4 years with a minimum vesting period of 1 year from the date of grant i.e. February 10, 2023. The exercise period would be a maximum of 7 years from the date of vesting of options.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible.

Pricing formula

Discount to fair market value of the Equity Shares as on the date of grant.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Method used for accounting of share-based payment plans

The employee compensation cost has been calculated using Black Scholes Option Pricing Model. The assumptions are as stated in the below table. The employee compensation cost as per fair value method for the financial year 2022-23 is ₹ NIL (previous year ₹ NIL).

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	-	-	-
Granted during the year	2,79,568	510.32	-	-
Vested during the year	-	510.32	-	-
Exercised during the year	-	510.32	-	-
Lapsed during the year	7,182	510.32	-	-
Options outstanding at the end of the year	2,72,386	510.32	-	-
Options available for grant	8,64,960	-	-	-
Options exercisable at the end of the year	-	-	-	-

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	**February 10, 2022**
	Weighted average
Stock Price (₹)	637.90
Volatility	31.99%
Risk-free Rate	7.15%
Exercise Price (₹)	510.32
Time To Maturity (In years)	7.50
Dividend yield	0.96%
Option Fair Value (₹)	**313.34**

Note 34: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Particulars	March 31, 2023	March 31, 2022
a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due remaining unpaid	187.52	71.80
Interest amount due remaining unpaid	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Note 35 (A): Additional information as required by Paragraph 2 of the general instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Details of entities consolidated

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2023	Proportion of Ownership Interest as on March 31, 2022
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	Subsidiary	India	70.00%	70.00%
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)*	Subsidiary	India	100.00%	0.00%
Aprica Healthcare Limited	Subsidiary	India	100.00%	100.00%
Eris Pharmaceuticals Private Limited	Subsidiary	India	76.00%	76.00%
Eris Healthcare Private Limited	Subsidiary	India	100.00%	100.00%
Eris Therapeutics Limited#	Subsidiary	India	100.00%	100.00%

*Became subsidiary w.e.f. May 12, 2022

Incorporated on June 23, 2021 and commenced commercial production in March 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2023)		Share in Profit or (Loss) 2022-23		Share in Other Comprehensive Income (OCI) 2022-23		Share in Total Comprehensive Income (TCI) 2022-23	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.1%	22,218.83	106.4%	3,980.09	-252.5%	(1.49)	106.3%	3,978.60
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	1.0%	229.57	-7.1%	(266.44)	5.1%	0.03	-7.1%	(266.41)
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	3.4%	748.24	12.2%	454.81	261.0%	1.54	12.2%	456.35
Aprica Healthcare Limited	3.4%	762.91	0.7%	25.18	52.5%	0.31	0.7%	25.49
Eris Pharmaceuticals Private Limited	-0.0%	(0.18)	-0.0%	(0.19)	0.0%	-	-0.0%	(0.19)
Eris Healthcare Private Limited	-0.8%	(171.80)	-3.0%	(111.53)	28.8%	0.17	-3.0%	(111.36)
Eris Therapeutics Limited	0.9%	198.30	-1.4%	(51.81)	5.1%	0.03	-1.4%	(51.78)
Adjustments arising out of consolidation	-8.0%	(1,779.10)	-7.7%	(288.50)	0.0%	-	-7.7%	(288.50)
Total	**100.0%**	**22,206.77**	**100.0%**	**3,741.61**	**100.0%**	**0.59**	**100.0%**	**3,742.20**
Non controlling Interest in subsidiaries		246.89		(79.98)		-		(79.98)
Total		**21,959.88**		**3,821.59**		**0.59**		**3,822.18**

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2022)		Share in Profit or (Loss) 2021-22		Share in Other Comprehensive Income (OCI) 2021-22		Share in Total Comprehensive Income (TCI) 2021-22	
	As % of consolidated net Assets	₹ in million	As % of consolidated profit or loss	₹ in million	As % of consolidated OCI	₹ in million	As % of consolidated TCI	₹ in million
Parent								
Eris Lifesciences Limited	100.5%	19,185.56	102.8%	4,171.92	102.3%	(10.05)	102.8%	4,161.87
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	-0.0%	(3.58)	-0.5%	(19.62)	0.0%	-	-0.5%	(19.62)
Aprica Healthcare Limited	1.2%	235.01	2.0%	79.65	-0.5%	0.05	2.0%	79.70
Eris Pharmaceuticals Private Limited	0.0%	0.01	-0.0%	(0.04)	0.0%	-	-0.0%	(0.04)
Eris Healthcare Private Limited	2.3%	442.17	-2.5%	(100.60)	-1.8%	0.18	-2.5%	(100.42)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

for the year ended March 31, 2023

Eris Therapeutics Limited	1.3%	250.08	0.0%	-	0.0%	-	0.0%	-
Adjustments arising out of consolidation	-5.4%	(1,027.22)	-1.8%	(73.42)	0.0%	-	-1.8%	(73.42)
Total	**100.0%**	**19,082.03**	**100.0%**	**4,057.89**	**100.0%**	**(9.82)**	**100.0%**	**4,048.07**
Non controlling Interest in subsidiaries		(1.08)		(3.24)		-		(3.24)
Total		**19,083.11**		**4,061.13**		**(9.82)**		**4,051.31**

Note 35 (B) : Other statutory information

i). The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii). The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

iii). Quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts.

iv). The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

v). The Group does not have any transactions or balances with a Companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act 1956.

vi). The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

vii). Details of Loan given, Investment made and Guarantee given covered u/s 186 (4) of the Companies Act, 2013:

(a) Loan given by the Group to body corporate as at March 31, 2023. (Refer Note 10)

(b) Investment made by the Group as at March 31, 2023. (Refer Note 3)

(c) Guarantee given by the Group as at March 31, 2023. (Refer note 13)

viii) The borrowings obtained by the Group from banks have been applied for the purposes for which such loans was taken.

ix) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

x) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

xi) The Group has complied with the number of layers prescribed under the Companies Act, 2013

xii) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

xiii) The Group has not revalued its property,plant and equipment during the current or previous year.

xiv) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period except as mentioned in note 13.

Note 36: Items included in Financial Activities

(₹ in million)

	As at March 31,2022	Cash Flows	Net Additions	Other Changes	As at March 31, 2023
Lease Liability	393.96	(121.54)	133.71	60.82	466.95
Borrowing	450.11	7,858.00	-	(7.95)	8,300.16

	As at March 31,2021	Cash Flows	Net Additions	Other Changes	As at March 31, 2022
Lease Liability	67.67	(143.89)	474.45	(4.27)	393.96
Borrowing	0.10	-	450.00	0.01	450.11

Note 37: Material Partly Owned Subsidiary

Financial information of a subsidiary that have material non-controlling interests [NCI] is provided below:

(₹ in million)

Name of subsidiary	Eris M.J.Biopharm Private Limited	
Place of incorporation and operations	India	
	As at March 31, 2023	**As at March 31,2022**
% of Ownership	70%	70%
Current assets	178.71	75.41
Current liabilities	194.93	106.62
Net current assets	(16.22)	(31.21)
Non-current assets	259.58	37.34
Non-current liabilities	13.79	9.71
Net non-current assets	245.79	27.63
Net assets	229.57	(3.58)
Accumulated NCI	(81.01)	(1.08)
Summarised statement of profit and loss:	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Revenue	171.93	13.62
Expenses	425.29	34.92

Profit after Tax	(266.44)	(19.62)
Other Comprehensive Income	0.03	-
Total comprehensive income	(266.41)	(19.62)
Profit allocated to NCI	(79.93)	(3.24)
Dividends paid to NCI	-	-

Summarised Cash Flow Statement:	**For the Year ended March 31, 2023**	**For the Year ended March 31, 2022**
Net cash inflow from operating activities	(295.86)	(40.69)
Net cash inflow/(outflow) from investing activities	(266.47)	(10.00)
Net cash inflow/(outflow) from financing activities	570.11	46.94

EOHPL had issued 64,30,000 number of compulsory convertible debentures (CCD) of ₹ 10 each at a premium of ₹ 41 each to the erstwhile shareholders of EOHPL, total amounting to ₹ 327.95 million .These CCDs have been classified as instruments in the nature of equity. As a result non-controling interest in the consolidated financial statements includes ₹ 327.95 million being the CCDs issued to the erstwhile shareholders of EOHPL.

Note 38: Code of Social Security

The Parliament of India has approved the Code on Social Security, 2020 (''the Code'') which, inter alia, deals with employee benefits during employment and post employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Inderjeet Singh Negi
Whole Time Director
DIN: 01255388

Sachin Shah
Chief Financial Officer
Place: Ahmedabad
Date: May 17, 2023

Milind Talegaonkar
Company Secretary
Membership No-A26493

NOTICE

NOTICE IS HEREBY given that the seventeenth Annual General Meeting (AGM) of the Members of Eris Lifesciences Limited will be held on Monday, 25th September 2023 at 11:00 A.M. IST, through Video Conferencing ("VC"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements including Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2023 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Krishnakumar Vaidyanathan (DIN: 08976508) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the Financial Year ending March 31, 2024 and in this regard, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

   "RESOLVED THAT subject to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof), the Company hereby ratifies the remuneration to be paid as set out in the Explanatory Statement annexed to the Notice convening the seventeenth annual general meeting to M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad, appointed as the Cost Auditors by the Board of Directors to conduct the audit of cost records maintained by the Company for the Financial Year 2023-24.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution.**"**

4. Approval to advance loan(s), to give any guarantee(s) and/or to provide any security(ies) under Section 185 of the Companies Act, 2013 and in this regard, to pass with or without modification(s), the following resolution as a **Special Resolution;**

   "RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), provisions of all other statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time and such other approvals, if any, as may be required in this behalf, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board", which term shall be deemed to include, unless the context otherwise requires, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution), to advance any loan(s) and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any entity which is a Subsidiary, Associate, Joint Venture or such other entity/person as specified under Section 185 of the Companies Act, 2013, in which any Director of the Company is or will be deemed to be interested, from time to time, upto an aggregate limit of sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, in one or more tranches, which the Board may, in its absolute discretion deem beneficial and in the interest of the Company, provided that such loan(s) shall be utilised by borrowing entity(ies) for its/their Principal Business activities.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to negotiate, finalise, agree, vary or modify the terms and conditions for advancing aforesaid loan(s), Investment(s), Corporate Guarantee(s) and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities, including but not limited to making requisite filings with any statutory authorities/regulatory bodies, and to do all such acts, deeds or things incidental or expedient thereto as the Board may think fit and suitable in the interest of the Company."

By order of the Board of Directors

Date: August 07, 2023
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
ICSI Mem. No. A26493

Notes:

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December 8, 2021, Circular No. 2/2022 dated May 5, 2022 and Circular No. 11/2022 dated December 28, 2022 and all other relevant circulars issued from time to time, permitting the company to conduct the AGM through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

   MCA by Circular No. 10/2022 dated December 28, 2022 and SEBI vide its Master Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/120 dated July 11, 2023 have extended the above exemptions till September 30, 2023 and accordingly in compliance with applicable provisions of the Companies Act, 2013 and the said Circulars the:

   a. Notice of the AGM along with Annual Report for the Financial Year 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories.
   b. 17th AGM of the Members will be held through VC.

2. Since the AGM will be held through VC, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at Shivarth Ambit, Plot No 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat-380054.

3. The Company has engaged the services of Link Intime India Private Limited ("Link Intime"), as the authorized agency for conducting the AGM, providing remote e-voting and e-voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent paragraphs.

4. Corporate members intending to authorize their representatives to attend the Meeting are requested to submit to the Company, a certified copy of the Board Resolution / authorization document authorizing their representative to attend and vote on their behalf at the Meeting.

5. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of business under Item No. 3 and 4 of the Notice, are annexed hereto. All documents referred to in the accompanying Notice and the Registers under the Companies Act, 2013 will be available electronically for inspection by the members during the AGM.

6. The Register of Members and Share Transfer Books of the Company will remain closed on September 18, 2023.

7. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website https://eris.co.in/ The Notice and the Annual Report can also be accessed from the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

8. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

9. Notice of the seventeenth Annual General Meeting of the Company, inter alia, indicating the process and manner of remote e-voting and e-voting during the meeting is being sent to the members, whose email addresses are registered with the Company or Depository Participant[s] for communication purposes.

10. Members who have not registered their e-mail address with the Company may temporarily register the same with the Company's Registrar and Share Transfer Agent i.e. M/s Link Intime India Private Limited as per the process described below:

    - Members holding shares in electronic/demat form, please update your email address with your depository participants. However, Members may temporarily register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in the Investor Services tab by providing details such as Name, DP ID, Client ID, PAN, mobile number and e-mail address.

    - Members holding shares in physical form and who have not registered their email address may register the same with the Company's Registrar and Share Transfer Agent i.e. M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website https://linkintime.co.in/ in Investor Services tab by providing details such as Name, Folio number, Certificate number, PAN, mobile number and email address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB)

    On submission of the above member detail, One Time Password (OTP) will be received by the Member which needs to be entered in the link for verification.

11. The aforementioned mechanism of registration of email ids for the purpose of e-voting will be also given by the Company in the Public Notice. Further, the date of completion of sending of the Notice and the Explanatory Statement will be announced through advertisement in newspapers having wide circulation in the district where the Registered Office of Company is situated.

12. The certificate from the Auditors relating to the Company's Stock Options regarding implementation of ESOP schemes, under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection at the Annual General Meeting.

13. At the 15th AGM held on September 01, 2021, the members approved the appointment of M/s Deloitte Haskin & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as Statutory Auditors of the Company to hold office for a period of four years from the conclusion of that AGM till the conclusion of the 19th AGM,. The requirement to place the matter relating to the appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of the appointment of statutory auditors at the seventeenth AGM.

14. Members holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.

15. Non-resident Indian shareholders are requested to inform about the change in the residential status on return to India for permanent settlement, immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be.

16. The Board of Directors has appointed Mr. Ravi Kapoor, Practicing Company Secretary (FCS No. 2587; COP No 2407) to act as Scrutinizer for conducting the e-voting and remote e-voting process in a fair and transparent manner.

17. The Scrutinizer will submit his report to the Chairman or any other Director/person of the Company as authorised by the Board, if any, after completion of the scrutiny of the e-votes submitted. The Scrutinizer's decision on the validity of the e-votes shall be final. The results of the voting through remote e-voting and e-voting during the AGM will be announced on or before Wednesday, September 27, 2023, at the Registered Office of the Company. The results, together with the

Scrutinizer's Report, will be displayed at the Registered Office of the Company and on the Company's website viz., www.eris.co.in, besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

18. Voting through electronic means:
    a) The business as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of section 108 of the Act read with the Companies [Management and Administration] Rules, 2014, Secretarial Standards-2 issued by the Institute of Companies Secretaries of India on General Meetings and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with Link Intime to facilitate the members to cast their votes from a place other than the venue of the AGM [remote e-voting].
    b) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.
    c) The Notice will be displayed on the website of the Company www.eris.co.in and on the website of RTA https://instavote.linkintime.co.in/
    d) The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM, but shall not be entitled to cast their vote again.
    e) The remote e-voting period will commence at 9:00 a.m. (IST) on Friday, September 22, 2023 and will end at 5:00 p.m. (IST) on Sunday, September 24, 2023. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, September 18, 2023 may cast their vote by remote e-voting. The e-voting module shall be disabled by Link Intime for voting thereafter.

19. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL

   a. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

   b. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select «Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

   c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon «Login» which is available under ‹Shareholder/Member› section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

   a. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

   b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

   c. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

   d. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will

be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   **Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

   **Shareholders holding shares in NSDL form, shall provide 'D' above*

   - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
   - Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

» It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

» For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

» During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the Annual General Meeting through InstaMeet:

- Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on "Login".
- Select the "Company" and 'Event Date' and register with your following details: -

  A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
  - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
  - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

  B. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

  C. Mobile No.: Enter your mobile number.

  D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first serve basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts related to Special Businesses mentioned in the accompanying notice:

Item No. 3

In accordance with the provisions of section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company pertaining to the applicable products manufactured by the Company. On the recommendation of the Audit Committee, the Board of Directors has approved the re-appointment of M/s. Kiran J Mehta & Co. (FRN-000025), Cost Accountants, Ahmedabad as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2023-2024, at a remuneration of Rs. 2,00,000/-.

M/s. Kiran J Mehta & Co. Cost Accountants have furnished a certificate regarding their eligibility for re-appointment as the Cost Auditors of the Company. As per the provisions of the Act read with the Rules, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 3 of the Notice.

Accordingly, consent of the members is sought by way of an Ordinary Resolution respectively as set out in Item No. 3 of the Notice.

The Board recommends the Resolution for your approval and ratification.

Item no. 4

Pursuant to the provisions Section 185 of the Companies Act, 2013 (the Act), a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the Director of the Company is interested subject to the condition that approval of the shareholders of the Company is obtained by way of a Special Resolution.

The Company's subsidiary(ies) / group companies/ associates / JV Companies explore various options to raise funds through loan / issuance of debentures / bonds etc. which may be backed by corporate guarantee of the Company. The proceeds raised by the subsidiary(ies) / group companies/ associates / JV Companies of the Company would be utilized for their principal business activities.

In view of the above and as an abundant caution, the Board at its meeting held on August 07, 2023 approved a proposal for seeking the consent of the members of the Company pursuant to the provisions of Section 185 of the Act, to advance any loan including any loan represented by book debt, or give guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by any subsidiary company(ies)) /group companies/ associates / JV Companies / body corporates, in whom any of the Director of the Company is or will be deemed to be interested for an amount not exceeding sixty per cent. of its paid-up share capital, free reserves and securities premium account or one hundred per cent. of its free reserves and securities premium account, whichever is more. This will also enable the Company to provide the requisite corporate guarantee or security in relation to raising of loans / debentures / bonds etc. by the said subsidiary(ies) / associates / JV Companies body corporates, as and when it is raised.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Accordingly, consent of the members is sought by way of a Special Resolution as set out in Item No. 4 of the Notice.

The Board recommends the Resolution for your approval.

By order of the Board of Directors

Date: August 07, 2023
Place: Ahmedabad

Milind Talegaonkar
Company Secretary
ICSI Mem. No. A26493

Eris LIFESCIENCES

POWER OF EMPATHY. TRUTH OF SCIENCE.

Registered Corporate Office

Shivarth Ambit, Plot No. 142/2,
Ramdas Road, Off SBR,
Near Swati Bungalows, Bodakdev,
Ahmedabad - 380054

+91-79-69661000/1001

complianceofficer@erislifesciences.com

www.eris.co.in

Date: 29 May 2024
KID No.: KID-2024-25/001

KEY INFORMATION DOCUMENT FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

Eris Lifesciences Limited (the "**Company**" or "**Issuer**"), incorporated under the Companies Act, 1956 and validly existing under Companies Act, 2013, as amended from time to time (the "**Companies Act**")

CIN: L24232GJ2007PLC049867

PAN: AABCE7067M

Date of Incorporation: January 25, 2007

Registered and Corporate Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad – 380 045 Gujarat, India.

Telephone: 07969661000;

Email id: complianceofficer@erislifesciences.com

Website: www.eris.co.in

Date: 29 May 2024

KEY INFORMATION DOCUMENT FOR ISSUE OF UP TO 1,25,000 LISTED, RATED, UNSECURED, REEDEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 (RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 1,250,00,00,000 (INDIAN RUPEES ONE THOUSAND TWO HUNDRED AND FIFTY CRORES ONLY) IN TWO SEPARATELY TRANSFERABLE AND REDEEMABLE PRINCIPAL PARTS ("STRPP") BEING (I) 62,500 UNSECURED, REDEEMABLE, LISTED, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 (RUPEES ONE LAKH ONLY) EACH AGGREGATING UP TO INR 6,25,00,00,000 (RUPEES SIX HUNDRED AND TWENTY FIVE CRORES ONLY) ("STRPP I"), (II) 62,500 UNSECURED, REDEEMABLE, LISTED, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF INR 1,00,000 (RUPEES ONE LAKH ONLY) EACH AGGREGATING UP TO INR 6,25,00,00,000 (RUPEES SIX HUNDRED AND TWENTY FIVE CRORES ONLY) ("STRPP II"), ("DEBENTURES") BY ERIS LIFESCIENCES LIMITED (THE "ISSUE"). THE DEBENTURES TO BE ISSUED UNDER THIS KEY INFORMATION DOCUMENT WILL BE LISTED ON BOMBAY STOCK EXCHANGE (THE "STOCK EXCHANGE").

This Key Information Document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer. This Key Information Document is issued in conformity with the Companies Act, as amended from time to time, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time read with the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024, as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated

September 02, 2015, as amended from time to time; Section 42 of the Companies Act and the Companies (Prospectus and Allotment of Securities) Rules, 2014. This is only an information brochure intended for private use. The Key Information Document together with the General Information Document dated 29 May 2024("**General Information Document**") in relation to each issuance of non-convertible debentures shall be referred to as the "Offer Document".

Pursuant to the General Information Document, all the terms, conditions, information and stipulations contained in the General Information Document, unless the context states otherwise or unless specifically stated otherwise, are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same to the extent applicable. This Key Information Document contains details of offer of the Non-Convertible Debentures, the financials of the Issuer (if the information provided in the General Information Document is more than six months old), any material changes to the information provided in the General Information Document and any material developments since the issue of the General Information Document. Accordingly, set out below are the additional information /particulars, which additional information /particulars shall be read in conjunction with other information /particulars appearing in the General Information Document. In case of any inconsistency between the terms of this Key Information Document and the General Information Document, the terms as set out in the Key Information Document shall prevail.

This Key Information Document is being uploaded on the electronic book platform of BSE Limited ("**BSE**"), and an offer will be made by issue of the General Information Document and this Key Information Document after completion of the bidding process on issue/bid closing date, to successful bidder in accordance with the provisions of the Companies Act and related rules.

CREDIT RATING AGENCY

Name of rating agency: India Ratings and Research Private Limited

Address: 510 - Sun Square,St. Xaviers College Road, Off C. G. Road,Near Nest/Klassic Gold Hotel, Navarangpura, Ahmedabad, Gujarat, 380009, India
Telephone Number: +91 794910700
Email address: nishith.sanghvi@indiaratings.co.in

Website: https://www.indiaratings.co.in.

Contact person: Mr. Nishith Sanghvi

DEBENTURE TRUSTEE TO THE ISSUE

Name: Axis Trustee Services Limited
Address: Address: Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai, Maharashtra-400025

Telephone Number: 022 62300451
Email address: debenturetrstee@axistrustee.in

Website: www.axistrustee.in.

Contact person: Mr. Dhruba Bora

ARRANGER TO THE ISSUE

Name: Citigroup Global Markets Private Limited

Address: 1202, 12th Floor, First International Financial Centre, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Maharashtra – 400098
Telephone Number: 91-22- 6175-9707
Email address: esha.ajmera@citi.com

Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Contact person: Ms. Esha Ajmera

LEGAL COUNSEL TO THE ISSUE

TT&A
Advocates and Solicitors

Name: Talwar Thakore & Associates
Address: Kalpataru Heritage, 3rd Floor,127 M G Road, Fort, Mumbai 400001
Telephone Number: +91-22-66136900
Email address: ncd.tta@tta.in
Website: www.tta.in
Contact person: Ms. Priyanka Kumar

LEGAL COUNSEL TO THE ARRANGER

INDUSLAW
THOUGHT LEADERSHIP ... APPLIED

Name: IndusLaw
Address: 2nd Floor, Block D, The MIRA, Mathura Road, New Delhi – 110 065, India
Telephone Number: +91 11 4782 1000
Email address: pritha.chatterjee@induslaw.com
Website: https://induslaw.com/
Contact person: Ms. Pritha Chatterjee

ISSUE SCHEDULE

NON-CONVERTIBLE DEBENTURES

ISSUE OPENING DATE: 6 June 2024	**ISSUE CLOSING DATE:** 6 June 2024	**DATE OF EARLIEST CLOSING OF THE ISSUE, IF ANY:** Not applicable
PAY-IN DATE: 7 June 2024	**DEEMED DATE OF ALLOTMENT:** 7 June 2024	

The Issuer reserves the right to change the issue program including the relevant Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Program.

CREDIT RATING

The Debentures are rated IND AA-/Positive rating by India Ratings and Research vide letter dated 28 May 2024. The press release is annexed in Key Information Document as Annexure I.

LISTING

The Debentures are proposed to be listed on the wholesale debt market ("WDM") segment of BSE.The Issuer has obtained an 'in-principle' approval from BSE for the listing. Please refer to Annexure II of this Key Information Document for the 'in-principle' listing approval from the BSE dated 29 May 2024.

ELIGIBLE INVESTORS

Mutual Funds, Banks, Financial Institutions, Non-Banking Finance Companies, Corporates, Provident Funds and Pension Funds, Insurance Companies, Investment holding companies of high net worth individuals and any other person (not being an individual or a group of individuals) are eligible to invest in Non-Convertible Debentures. However, the list is illustrative only. Investors are requested to check their eligibility to invest in this instrument as per rules, regulations, guidelines, statute or any government order applicable to them. Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

KEY ISSUE DETAILS

SERIES - 8.73% Eris NCDs 2026 and 8.73% Eris NCDs 2027

Coupon Rate: 8.73% per annum	Coupon payment frequency: Annually and on Maturity (on o/s value of Debentures)	Redemption Date: In relation to, (i) STRPP I – 7 December 2026; and (ii) STRPP II – 7 June 2027.
Redemption Amount: INR 1,250,00,00,000	Nature and issue size: 1,25,000 unsecured, redeemable, taxable, rated, listed, non- convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (“STRPP”) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) (“STRPP I”), (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred And Twenty Fifty Crores Only) (“STRPP II”),	Base issue and green shoe option, if any: Base issue: 1,25,000 unsecured, redeemable, rated, listed, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (“STRPP”) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) (“STRPP I”), (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred And Twenty Fifty Crores Only) (“STRPP II”), Green Shoe option: N.A
Details about underwriting of the issue, if applicable, including the amount undertaken to be underwritten	Arranger: Citigroup Global Markets India Private Limited	

by the underwriters: Not applicable	
Date of Board Resolution and Committee resolution: 21 May 2024 and 22 May 2024. Please refer to Annexure V	Date of Shareholders' resolution: 3 February 2017. Please refer to Annexure V

The Debentures proposed to be issued does not form a part of non-equity regulatory capital of the Issuer as mentioned under Chapter VA of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Note: This Key Information Document prepared under the Companies Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) 2021, as amended from time to time, for private placement of the Non-Convertible Debentures is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by the Issuer. This is only an information brochure intended for private use.

A copy of this Key Information Document has been delivered for filing to the concerned Registrar of Companies as required under sub-section (4) of Section 26 of Companies Act.

DISCLAIMER CLAUSE OF THE ISSUER

The Issuer will not be responsible in any manner, whatsoever for the investment decision made by an investor. Please read the "Disclaimer" clause and other terms of this Key Information Document and the General Information Document so as to enable the investor to take a reasoned decision.

Each person receiving this Key Information Document acknowledges that:

Such person has been afforded an opportunity to request and to review and has received all this Key Information Document and all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein; and such person has not relied on any intermediary that may be associated with issuance of Non-Convertible Debentures in connection with its investigation of the accuracy of such information or its investment decision. The Issuer does not undertake to update the information in this Key Information Document to reflect subsequent events after the date of the key Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither the delivery of this Key Information Document nor any sale of Non-Convertible Securities made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Key Information Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Non-Convertible Debentures, or the distribution of this Key Information Document in any jurisdiction where such action is required. The distribution of this Key Information Document and the offering and sale of the Non-Convertible Debentures may be restricted by law in certain jurisdictions. Persons into whose possession this comes are required to inform them about and to observe any such restrictions. The Key Information Document is made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.

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THE ISSUER HAS AUTHORISED CERTAIN ARRANGER(S) AS SET OUT IN THIS KEY INFORMATION DOCUMENT (THE "**ARRANGER**") TO DISTRIBUTE THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT IN CONNECTION WITH THE DEBENTURES PROPOSED TO BE ISSUED BY THE ISSUER. THE ISSUER HAS PREPARED THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT AND THE ISSUER IS SOLELY RESPONSIBLE FOR ITS CONTENTS. THE ISSUER WILL COMPLY

WITH ALL LAWS, RULES AND REGULATIONS AND HAS OBTAINED ALL REGULATORY, GOVERNMENTAL AND CORPORATE APPROVALS FOR THE ISSUANCE OF THE DEBENTURES. ALL THE INFORMATION CONTAINED IN THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT HAS BEEN PROVIDED BY THE ISSUER OR IS FROM PUBLICLY AVAILABLE INFORMATION, AND SUCH INFORMATION HAS NOT BEEN INDEPENDENTLY VERIFIED BY THE ARRANGER. NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, IS OR WILL BE MADE, AND NO RESPONSIBILITY OR LIABILITY IS OR WILL BE ACCEPTED, BY THE ARRANGER FOR THE ACCURACY, COMPLETENESS, RELIABILITY, CORRECTNESS OR FAIRNESS OF THE GENERAL INFORMATION DOCUMENT OR THIS KEY INFORMATION DOCUMENT OR ANY OF THE INFORMATION OR OPINIONS CONTAINED THEREIN, AND THE ARRANGER HEREBY EXPRESSLY DISCLAIM, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RESPONSIBILITY FOR THE CONTENTS OF THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT AND ANY LIABILITY, WHETHER ARISING IN TORT OR CONTRACT OR OTHERWISE, RELATING TO OR RESULTING FROM SUCH DOCUMENTS OR ANY INFORMATION OR ERRORS CONTAINED THEREIN OR ANY OMISSIONS THEREFROM. BY ACCEPTING THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT, THE INVESTOR AGREES THAT THE ARRANGER WILL NOT HAVE ANY SUCH LIABILITY.

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THE INVESTORS SHOULD CAREFULLY READ AND RETAIN THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT. HOWEVER, THE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF HEREOF OR THEREOF AS INVESTMENT, LEGAL, ACCOUNTING, REGULATORY OR TAX ADVICE, AND THE INVESTORS SHOULD CONSULT WITH THEIR OWN ADVISORS AS TO ALL LEGAL, ACCOUNTING, REGULATORY, TAX, FINANCIAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE DEBENTURES. THE GENERAL INFORMATION DOCUMENT AND THIS KEY INFORMATION DOCUMENT IS NOT INTENDED TO BE THE BASIS OF ANY CREDIT ANALYSIS OR OTHER EVALUATION AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE ARRANGER OR ANY OTHER PERSON THAT ANY RECIPIENT PARTICIPATES IN THE ISSUE OR ADVICE OF ANY SORT. IT IS UNDERSTOOD THAT EACH RECIPIENT OF THE GENERAL INFORMATION DOCUMENT WILL PERFORM ITS OWN INDEPENDENT INVESTIGATION AND CREDIT ANALYSIS OF THE PROPOSED FINANCING AND THE BUSINESS, OPERATIONS, FINANCIAL CONDITION, PROSPECTS, CREDITWORTHINESS, STATUS AND AFFAIRS OF THE ISSUER BASED ON SUCH INFORMATION AND INDEPENDENT INVESTIGATION AS IT DEEMS RELEVANT OR APPROPRIATE AND WITHOUT RELIANCE ON THE ARRANGER OR ON THE GENERAL INFORMATION DOCUMENT OR THIS KEY INFORMATION DOCUMENT.

DISCLAIMER OF THE RATING AGENCY

AT THE DATE OF THIS KEY INFORMATION DOCUMENT, THE RATING AGENCY HAS ASSIGNED IND AA-/Positive RATING TO DEBENTURES. THE RATING ASSIGNED BY THE RATING AGENCY IS AN OPINION ON CREDIT QUALITY AND IS NOT A RECOMMENDATION TO BUY, SELL OR HOLD THE RATED DEBT INSTRUMENTS. INVESTORS SHOULD TAKE THEIR OWN DECISIONS. THE RATING AGENCY HAS BASED ITS RATING ON INFORMATION OBTAINED FROM SOURCES BELIEVED BY THEM TO BE ACCURATE AND RELIABLE. THE RATING AGENCY DOES NOT, HOWEVER, GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY INFORMATION AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF SUCH INFORMATION.

RATINGS DO NOT COMMENT ON THE ADEQUACY OF MARKET PRICE, THE SUITABILITY OF ANY INVESTMENT, LOAN OR SECURITY FOR A PARTICULAR INVESTOR (INCLUDING WITHOUT LIMITATION, ANY ACCOUNTING AND/OR REGULATORY TREATMENT), OR THE TAX-EXEMPT NATURE OR TAXABILITY OF PAYMENTS MADE IN RESPECT OF ANY INVESTMENT, LOAN OR SECURITY. THE RATING AGENCY IS NOT YOUR ADVISOR, NOR IS IT PROVIDING TO YOU OR ANY OTHER PARTY ANY FINANCIAL ADVICE, OR ANY LEGAL, AUDITING, ACCOUNTING, APPRAISAL, VALUATION OR ACTUARIAL SERVICES. THE RATING MAY BE RAISED, LOWERED, WITHDRAWN OR PLACED ON RATING WATCH DUE TO CHANGES IN, ADDITIONS TO, ACCURACY OF, OR THE INADEQUACY OF, INFORMATION OR FOR ANY OTHER REASON THE RATING AGENCY DEEM SUFFICIENT.

THE RATING MAY BE SUBJECT TO REVISION OR WITHDRAWAL AT ANY TIME BY THE RATING AGENCY AND SHOULD BE EVALUATED INDEPENDENTLY OF ANY OTHER RATING. THE RATING AGENCY HAS THE RIGHT TO SUSPEND OR WITHDRAW THE RATING AT ANY TIME BASIS OF FACTORS SUCH AS NEW INFORMATION OR UNAVAILABILITY OF INFORMATION OR ANY OTHER CIRCUMSTANCES.

THE RATING AGENCY SHALL NEITHER CONSTRUED TO BE NOR ACTING UNDER THE CAPACITY OR NATURE OF AN 'EXPERT' AS DEFINED UNDER SECTION 2(38) OF THE COMPANIES ACT, 2013

DISCLAIMER CLAUSE OF THE DEBENTURE TRUSTEE

THE DEBENTURE TRUSTEE DOES NOT UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE COMPANY DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS KEY INFORMATION DOCUMENT AND DOES NOT HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR PROSPECTIVE INVESTOR IN THE DEBENTURES OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE DEBENTURE TRUSTEE, ITS AGENTS OR ADVISORS EXCEPT AS SPECIFICALLY PROVIDED FOR IN THE DEBENTURE TRUST DEED.

THE DEBENTURE TRUSTEE HAS NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED IN THIS KEY INFORMATION DOCUMENT. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY IS ACCEPTED BY DEBENTURE TRUSTEE AS TO THE ACCURACY OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY. ACCORDINGLY, DEBENTURE TRUSTEE ASSOCIATED WITH THE ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS KEY INFORMATION DOCUMENT OR ANY OTHER INFORMATION PROVIDED BY THE COMPANY IN CONNECTION WITH THE ISSUE.

THE DEBENTURE TRUSTEE IS NEITHER A PRINCIPAL DEBTOR NOR A GUARANTOR OF THE DEBENTURES.

Definition

This Key Information Document uses certain definitions and abbreviations which shall have the meaning ascribed to them in the General Information Document or the Debenture Trust Deed (*as defined hereinafter*), unless the context indicates or implies otherwise, have the meaning as provided below. References to any legislation, act or regulation shall be to such term as amended from time to time.

Term	Description
Application Form	The format of which is more particularly as set out in Annexure VII of this Key Information Document.
Debenture Trust Deed	The debenture trust deed proposed to be entered into between the Issuer and the Debenture Trustee for the issuance of the Debentures, on or around the date of this Key Information Document.
Fee Letter	The offer letter bearing reference number ATSL/CO/24-25/0304 dated 24 May 2024 issued by the Axis Trustee Services Limited to Eris Lifesciences Limited.
Registrar and Transfer agent	Link Intime India Private Limited
Debenture Trustee Agreement	The debenture trustee agreement proposed to be entered into between the Issuer and the Debenture Trustee for the issuance of the Debentures, on or around the date of this Key Information Document.

1. ISSUE STRUCTURE, TERMS & CONDITIONS

Sr. no.	Description	Particulars
1.	Security Name	8.73 % Eris NCDs 2026 8.73 % Eris NCDs 2027
2.	Issuer	Eris Lifesciences Limited ("**Issuer**")
3.	Type of Instrument	Unsecured, Redeemable, Rated, Listed, Taxable, Non-Convertible Debentures ("**NCDs**" or "**Debentures**")
4.	Nature of Instrument	Unsecured
5.	Seniority	Senior
6.	Eligible Investor(s)	Mutual Funds, Banks, Financial Institutions, Non-Banking Finance Companies, Corporates, Provident Funds and Pension Funds, Insurance Companies, Investment holding companies of high net worth individuals and any other person (not being an individual or a group of individuals) are eligible to invest in non-convertible debentures.
7.	Listing (including name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures will be listed on the WDM segment of BSE Limited. The Issuer will ensure that the Debentures are listed on the exchange within 3 (three) working days of the Issue Closing Date or such other timeline prescribed statutorily.
8.	Rating of the Instrument	IND AA-/Positive
9.	Issue Size	1,25,000 unsecured, redeemable, rated, taxable, listed, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts ("**STRPP**") being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) ("**STRPP I**"), (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred And Twenty Five Crores Only) ("**STRPP II**").
10.	Minimum subscription amount	100 Debentures and in multiples of 1 Debenture thereafter
11.	Option to retain	Not Applicable

	oversubscription (Amount)	
12.	Object of the Issue/ Purpose for which there is requirement of funds	The proceeds of the Issue will be utilized by the Issuer to refinance existing debt and for reduction of liabilities. The Issuer may, pending utilisation of funds in accordance with purpose stated herein, park the proceeds of the issue in term deposits, liquid funds or other short term investments
13.	In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format.	Not Applicable
14.	Details of the utilization of the Proceeds	The funds raised by the issue shall be utilised by the Issuer solely for the following: (i) To refinance existing debt; (ii) for reduction of liabilities, and pending utilisation of funds for the purpose stated in paragraph (i) and (ii) above, the Issuer shall be entitled to invest the funds in any term deposits, liquid funds or other short- term investments.
15.	Coupon Rate	8.73%
16.	Step Up/Step down Coupon Rate	In case of downgrade in the Credit Rating of the Debentures or the Issuer from initial rating of AA-, below coupon step-ups will be applicable Downgrade in the Credit Rating of the Debentures or the Issuer from AA- by any Rating Agency having an outstanding rating on the Debentures or the Issuer, the Coupon for the Debentures shall be revised upwards by 0.25% p.a., for each notch of rating downgrade from the date of such downgrade and shall be payable on the immediately next Coupon Payment Date onwards and thereafter. Subsequent upgrade wherein the original credit rating prior to such Coupon Step Up is restored, coupon rate will be reduced by 25 bps for rating upgrade to AA- from the date of such upgrade. At no point will the coupon rate be below the coupon rate as on the issue date of the debentures

17.	Coupon Payment Frequency	Annually and on maturity (on outstanding value of Debentures).
18.	Coupon Payment Dates	As per Annexure III of the Key Information Document.
19.	Cumulative / non-cumulative, in case of dividend	Not Applicable
20.	Coupon Type	Fixed
21.	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor, etc.)	Fixed Coupon Debentures
22.	Day Count Basis	Actual / Actual
23.	Interest on Application Money	At the coupon rate, (subject to deduction of tax of source, as applicable) from the date of realization cheque(s) / demand draft(s) / date of receipt of funds up to one day prior to the Deemed Date of Allotment.
24.	Default Interest Rate	If: (a) an Event of Default occurs, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% Two per cent) over and above the applicable Coupon Rate for the period until such Event of Default ceases to exists or is cured to the satisfaction of the Trustee (acting on the instructions of the Debenture-holders); (b) the Issuer fails to list the Debentures on the BSE within 3 (three) working days from the Issue Closing Date or such other timeline as statutorily prescribed, then the Issuer shall pay Coupon on the Debentures at a rate which is 1% (one per cent) (or such other rate prescribed statutorily) over and above the applicable Coupon Rate for the period from the expiry of 3 (three) trading days from the Issue Closing Date till the final listing approval of Debentures is obtained from the BSE; (c) the Issuer fails to execute the Debenture Trust Deed to the

		satisfaction of the Arranger, prior to the filing of listing application to BSE, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% (two per cent) (or such other rate prescribed statutorily) over and above the applicable Coupon Rate for the period from the Deemed Date of Allotment till the Debenture Trust Deed is executed to the satisfaction of the Trustee (acting on the instructions of the Debenture-holders); and (d) The default interest payable in accordance with this clause will remain immediately due and payable. The Issuer agrees that the default interest is a genuine pre-estimate of the loss likely to be suffered by the Debenture-holders on account of any default by the Issuer.
25.	Tenor	In relation to, (i) STRPP I – 2.5 year; and (ii) STRPP II – 3 year
26.	Redemption Date	As mentioned in Annexure III of the Key Information Document
27.	Redemption Amount	Rs. 1,00,000 (Rupees One Lakh Only) per Debenture
28.	Redemption Premium/ Discount	Not Applicable
29.	Issue Price	At Par
30.	Discount at which security is issued and the effective yield as a result of such discount.	Not applicable
31.	Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Not applicable
32.	Put Date	Not Applicable
33.	Put Price	Not Applicable
34.	Call Date	Not Applicable

35.	Call Price	Not Applicable
36.	Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
37.	Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
38.	Face Value	Rs.1,00,000/- (Rupees One Lakh Only) for each STRPP of Debentures
39.	Minimum Application	Rs.1,00,00,000/- (Rupees One Crore - 100 NCDs for Face value Rs.1,00,000/- each) in total, bundled to; STRPP I: Rs 50, 00, 000/- (Rupees Fifty Lakhs); and STRPP II: Rs 50,00,000/- (Rupees Fifty Lakhs).
40.	Issue Timing	The details of the Issue shall be entered on the BSE Bond EBP Platform by the Issuer at least 5 (five) working days prior to the Issue / Bid Opening Date, in accordance with the SEBI Master Circular. The bidding on BSE Bond EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of BSE. The bidding window shall be open for the period as specified by the Issuer in the bidding announcement, however, the same shall be open for at least 1 (one) hour. The issuer can provide details of the eligible participant(s) for a particular issue, to the BSE Bond EBP Platform, not later than 1 (one) hour before the bidding start time. The Issuer shall provide the bidding start time and close time of the BSE Bond EBP Platform at least 1 (one) working day before the start of the Issue / Bid Opening Date
41.	Issue Opening Date	6 June 2024
42.	Issue Closing date	6 June 2024

43.	Date of earliest closing of the issue, if any.	Not applicable
44.	Pay-in Date	7 June 2024
45.	Deemed Date of Allotment	7 June 2024
46.	Settlement mode of the Instrument	Made by way of cash using Cheque/ DD/ RTGS/ NEFT/NACH/ Electronic mode and any other prevailing mode of payment from time to time.
47.	Depository	Applications will be made for the Debentures to be deposited with NSDL and/or CDSL
48.	Disclosure of Interest/ / redemption dates	As mentioned in Annexure III of the KID.
49.	Record Date	15 (fifteen) days prior to each Coupon Payment Date and Redemption Date.
50.	All covenants of the issue (including side letters, accelerated payment clause, etc.)	As specified in the Debenture Trust Deed, including the following **Financial Covenants** The Issuer to ensure following conditions are satisfied on the consolidated audited financials of Eris Lifesciences Limited: Net debt / EBITDA < 3.75x in FY25; < 3.25x in FY26; <2.75x in FY27; Net Debt of the company < Rs.3,200 crs in FY25; < Rs.2,700 crs in FY26; < Rs.2,200 crs in FY27; Testing on consolidated basis to be done on semi-annual basis at the end of 30th September and 31st March each year starting 31st March 2025. Company to provide compliance within 60 days Wherein, EBITDA: Earnings before Interest Depreciation, Amortisation and Tax. Calculation will be done based on LTM EBITDA as on the testing date Net Debt: Sum of all short term and long-term borrowings including any guarantees reported on the balance sheet, including lease liabilities, advances received from customers under long term supply contracts as well as any debt guaranteed by Eris Lifesciences Limited minus unencumbered cash and cash equivalents, other bank balances and current investments. **Management Control Covenant** The Issuer during the tenor of this issue will ensure that current Promoters shall continue to hold minimum unencumbered equity

		shareholding of 26% in the Issuer and continue to have management control of the Issuer, Breach of this covenant shall trigger an Event of Default. **Acquisitions** Prior to undertaking any acquisition, Issuer to ensure the Financial Covenants are complied upon completion of such acquisition and continues to be complied thereafter. **Merger and Amalgamation** Until the Final Settlement Date, the Issuer shall not enter into any scheme of merger, amalgamation, consolidation, , unless each of the following conditions are fulfilled both pre and post occurrence of such event: (a) The financial covenants are being complied, or applicable deviations thereto have been agreed by the Debenture Trustee; (b) No event of default has occurred and/or is subsisting; and (c) No material adverse effect has occurred or is likely to result pursuant to effecting any such action. **Information Covenant** The Issuer also undertakes to provide the below information to the Debenture Trustee on the same date as disclosed to the recognized stock exchanges in India: (a) audited annual standalone financial results; and (b) unaudited or limited review quarterly financial statements. Any financial or other information to be provided by the Company to the Debenture Holders shall be limited in such a manner to ensure that there is no 'unpublished price sensitive information" which is communicated or provided in violation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and all circulars, notifications and clarifications issued thereunder, each as amended and replaced, from time to time. **Negative Lien** So long as NCDs remain outstanding, the Company will not issue any secured debt by way of issue of INR non-convertible debentures unless the Company, in the case of the creation of the Security, at the same time or prior thereto takes any and all action necessary to ensure that all amounts payable by it under this Issue and the Debenture Trust Deed are secured by such security equally and rateably with the additional INR non-convertible debenture to the satisfaction of the Debenture Trustee.. **Additional Covenants**

		Such covenants as may be specified in the Transaction Documents, including that the Issuer shall not without the prior written approval of the Debenture Trustee: (a) apply the proceeds of the issue of Debentures for any purpose other than that for which the Issue was made; (b) declare any dividend to its shareholders in any year if an event of default has occurred under the Debentures; Induct into its board of directors a person whose name appears in the willful defaulter's list of Reserve Bank of India or TransUnion CIBIL Limited (other than as a nominee director). In case such a person is already on the board of directors of the Issuer, it shall take expeditious and effective steps for resolution of the above.
51.	Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation	The Debentures are unsecured**.**
52.	Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document	Not Applicable

53.	Transaction Documents	(a) General Information Document, Key Information Document (which will include the Private Placement Offer Letter in Form PAS-4); (b) Debenture Trustee Agreement and Consent Letter from Debenture Trustee; (c) Debenture Trust Deed which is to be executed to the satisfaction of the Arranger prior to the filing of listing application to BSE; (d) Rating Letter from the rating agencies; (e) Letter of appointment of Registrar & Transfer Agent; and (f) Listing Agreement with BSE (g) Tripartite agreement amongst the depository, the RTA and the Issuer.
54.	Conditions Precedent to Disbursement	The Issuer shall ensure that all the consents required from any Governmental Authority or any third party and resolutions required in relation to the Issue have been obtained prior to the Deemed Date of Allotment. The Issuer shall also comply with all Applicable Law in relation to the Issue, including the Companies Act, 2013 and the SEBI Debt Regulations. Approvals and documents to be provided will be as specified in the Debenture Trust Deed including the following: (a) Copy of the constitutional documents of the Issuer; (b) Copy of the shareholders resolution under Section 180(1)(c) of the Companies Act; (c) A certificate from the director of the Issuer stating that the limits under the resolution above shall not be breached pursuant to the issuance of the Debentures; (d) Copy of the resolutions passed by the Board of Directors of the Issuer approving the Issue under Section 179 of the Companies Act; (e) Copy of the resolution passed by Committee of Directors of the Issuer in relation to the finalization of the terms of the Debentures, the appointment of the Debenture Trustee and the execution of necessary documents in connection therewith; (f) Issuance of the General Information Document and Key Information Document (in compliance with the disclosure by SEBI, which will include the Private Placement Offer Letter in and Private Placement Offer Letter (Form PAS-4) signed and certified by the Issuer; (g) Credit Rating Letters from India Ratings & Research ("India

		Ratings") (not older than 1 (one) month); (h) Execution of Debenture Trust Deed and Debenture Trustee Agreement; (i) Copy of the undertaking submitted by the Issuer to the Stock Exchange, that it shall amend its articles of association within a period of 6 months from the date of listing of the Debentures, to amend and insert provisions for appointment of nominee director by a debenture trustee' (j) In principle approval from BSE for listing of NCDs; (k) Consent Letter from the Debenture Trustee; (l) Consent Letter from the Registrar to the Issue; (m) Authorized Signatory list with specimen signatures; (n) Undertaking from the Issuer that each of the Representations & Warranties made by the Issuer in the Debenture Trust Deed are true and correct; (o) Undertaking from the Issuer that no Event of Default has occurred and is continuing, and no such event or circumstance will result as a consequence of the Borrower performing any obligation contemplated under the transaction documents; and (p) Undertaking from the Issuer that there is no Material Adverse Effect and there are no circumstances existing which could give rise, with the passage of time or otherwise, to a material adverse effect on the Issuer.
55.	Conditions Subsequent to Disbursement	As specified in the Debenture Trust Deed including to the following: (a) Issue of Letter of Allotment on the Deemed Date of Allotment; (b) Issuer shall ensure that the Debentures are credit into the demat accounts of the debenture holders within 2 trading days from the Issue Closing Date or within such timelines prescribed statutorily; (c) Listing within 3 (three) working days from the Issue Closing Date or within such timelines prescribed statutorily; (d) Issue of Debentures in Dematerialized form; (e) Issuer shall file Form PAS – 3 for return of allotment of securities with the ROC within 15 days from the allotment of Debentures; (f) The Issuer shall get the credit rating of the Debentures from India Ratings reviewed and published at least once within a maximum period of 1 (one) year from the immediately previous review of the credit rating by the rating agency; (g) The Issuer shall within a period of 6 months from the date of

		listing of the Debentures, amend its articles of association to insert provisions for appointment of nominee director by a debenture trustee, and submit a compliance report to the Stock Exchange and the Debenture Trustee.
56.	Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement) Acceleration upon an Event of Default	**Events of Default** As set out in the Debenture Trust Deed including, but not limited to the following which has not been waived in writing by the debenture trustee or cured to the satisfaction of the debenture trustee: (a) Non-payment of any amount due and payable under the NCDs on the due date. In this case, the NCDs will become due and payable immediately; (b) Any cross default at consolidated entity as the per Cross Default Clause; (c) Failure to comply with mutually agreed terms and/ or breach of covenants agreed in any transaction document between Issuer and debenture holder (s)/ debenture trustee; (d) Non-payment of amount due on mandatory prepayment in case of exercise of Accelerated Redemption. In this case, the NCDs will become due and payable immediately; (e) Insolvency of the Issuer or winding-up (whether voluntarily or compulsorily) under the Bankruptcy code; (f) Winding up petition against the Issuer filed by a Financial Creditor, the same will result into an event of default; (g) Winding up petition against the Issuer filed by material Operational Creditor, unless it is quashed within 180 days and Issuer to contest the same within 30 days of the winding up petition; (h) Breach of any Material Representations and Warranties as described in the Debenture Trust Deed; (i) Breach of any Covenants as described in the Debenture Trust Deed/ Term Sheet for two consecutive quarter; and (j) There shall be no cure period for payment default or cross default (after exhausting cure period agreed with respective lender). **Acceleration upon an Event of Default** Upon an event of default under the Transaction Documents, each Debenture Holder shall have the right to accelerate the payment obligations of the Issuer under the Transaction Documents, including principal, accrued but unpaid Interest, default interest, and any other amounts due under the Transaction Document.
57.	Creation of recovery	(a) The Issuer shall create and maintain the recovery expense fund in relation to the Debentures with the Stock Exchange equal to 0.01% (decimal point zero one percent) of the Issue size subject

	expense fund	to maximum of ₹ 25,00,000 (Indian Rupees Twenty Five Lakh) to be used by the Debenture Trustee in accordance with the SEBI/HO/DDHS-PoD3/P/CIR/2024/46 Master Circular for Debenture Trustees` issued by SEBI dated 16 May 2024 ("**SEBI DT Master Circular'**), in accordance with and within the timelines prescribed in the SEBI DT Master Circular. (b) Subject to paragraph (c) below, the amounts in the recovery expense fund shall be utilised in the manner as may be prescribed by the Majority Debenture Holders and in line with SEBI DT Master Circular. (c) On and after the occurrence of an Event of Default, the Debenture Trustee shall follow the procedure set out in the SEBI DT Master Circular for utilisation of the recovery expense fund.
58.	Conditions for breach of covenants (as specified in Debenture Trust Deed)	As mentioned in S.No. 56 above.
59.	Provisions related to Cross Default Clause	If the Issuer or any of its present and / or future subsidiaries is unable or has admitted in writing, its inability to pay any financial indebtedness (other than default under this Debenture issue) in excess of Rs. 10,00,00,000/- (Rupees Ten Crores) in aggregate, on the date it has become due, and such default has not been remedied to the satisfaction of the lender thereof/waived by the lender /, it shall also constitute an event of default under the present Debenture issue.
60.	Material Adverse Effect	Any event or circumstance, occurrence, or condition which, as of any date of such determination in the sole opinion of the Debenture Trustee, has caused or is likely to cause a material and adverse effect in respect of one or more of the following: (a) adversely affect the ability of the Issuer to perform or comply with its obligations under the Transaction Documents; or (b) the businesses, operations or financial condition, properties or assets of the Issuer; or (c) validity or enforceability of, or the effectiveness of any Transaction Documents.
61.	Roles and responsibilities of the Debenture Trustee	As per Annexure IV of the Key Information Document.
62.	Risk factors pertaining to the issue	As set out in Section IV "Risk Factors" of the General Information Document.

63.	Governing Law & Jurisdiction	The Debentures, the General Information Document, the Key Information Document and the Transaction Documents for the Issue shall be governed by and construed in accordance with Indian Law and the Parties shall be subject to the exclusive jurisdiction of courts and tribunals of Ahmedabad, Gujarat.
64.	Details of size of the issue and green shoe portion, if any	1,25,000 unsecured, redeemable, rated, listed, non- convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (STRPP) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) - STRPP I, (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred and Twenty Five Crores Only) STRPP II, Green shoe option: N.A.
65.	Interest rate parameter – Zero coupon, fixed coupon or floating coupon	Fixed coupon
66.	Bid opening and closing date	6 June, 2024
67.	Minimum Bid Lot	Rs.1,00,00,000/- (Rupees One Crore – 100 NCDs for Face value Rs.1,00,000/- each) in total, bundled to; STRPP I: Rs 50, 00, 000/- (Rupees Fifty Lakhs); STRPP II: Rs 50,00,000/- (Rupees Fifty Lakhs);
68.	Manner of bidding in the issue i.e. open bidding or closed bidding	Closed bidding
69.	Manner of allotment in the issue i.e. uniform yield allotment or multiple yield allotment	Multiple yield allotment
70.	Manner of settlement in	Settlement through Indian Clearing Corporation Limited

	the issue i.e. through clearing corporation or through escrow bank account of issuer.	
71.	Settlement cycle i.e. T+1 or T+2 day	T+1
72.	Anchor Investor and Anchor Portion	<table><tr><th>Sr. no.</th><th>Anchor Investor</th><th>Anchor Portion</th></tr><tr><td>1.</td><td>ICICI Prudential Mutual Fund</td><td>30% of the Issue Size of 1250 crores i.e. INR 375 crores</td></tr></table>
Additional Terms		
73.	Sole Arranger	Citigroup Global Markets India Private Limited
74.	Mode of Placement	Private placement basis to all Eligible Investors
75.	Put/Call Option	Not Applicable
76.	Tranche Size	INR 1250,00,00,000(Rupee One Thousand and Two Hundred and Fifty crores) in a single tranche
77.	Mode of Issue	Private placement under the electronic book mechanism of BSE
78.	Final Redemption Date	In relation to, (i) STRPP I – 7 December 2026; and (ii) STRPP II – 7 June 2027.
79.	Debenture Trustee	Axis Trustee Services Limited
80.	Bidding Parameter	Price
81.	Business Days	Means all days on which commercial banks in the city of Mumbai, Maharashtra, India, are open for business; For the purpose of this definition, in respect of – (i) Announcement of bid /issue period: working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the Mumbai, Maharashtra, India, are open for business; (ii) the time period between the bid/ issue closing date and the listing

		of the non-convertible securities on the stock exchanges: working day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.
82.	Outstanding Amounts	Shall mean all amounts outstanding, whether due or not, in respect of the NCDs, including principal outstanding, accrued Coupon, default interest and other charges, if any, payable in accordance with the terms of the Transaction Documents.
83.	Dematerialized	Yes
84.	Issue of Debentures	The Issuer will issue the Debentures in dematerialized form within 2 (two) business days from the Deemed Date of Allotment or such other time period provided under applicable law (whichever is earlier).
85.	Trading mode of the Instrument	Demat only
86.	Credit Rating Acceleration	If the credit rating of the Debentures or the Issuer is downgraded to A- or below by India Ratings or any other rating agency having rating outstanding on the Issuer or the Debentures, each Debenture holder shall have an option to require the Issuer to redeem the Debentures held by such Debenture holder by providing a notice to the Issuer within a period of 30 (thirty) days from the announcement of such downgrade by the Credit Rating Agency (ies) ("**Notice of Redemption**"). Upon any Debenture holder providing a Notice of Redemption, the Issuer must redeem the Debentures, held by such Debenture holder, on or prior to 60 (sixty) calendar days from the date of the Notice of Redemption. The Issuer must repay all the Outstanding Amounts, whether due or not in respect of relevant the Debentures held by such Debenture holder, including principal, Coupon accrued and not paid, any penal interest, if any. In such scenario, the Issuer will also have the option to redeem all the debentures. Option with the Issuer would be for period of 60 calendar days from the date of downgrade wherein Issuer will have to issue notice of such redemption to all debenture holders. No prepayment penalty, early redemption cost or break cost will be applicable on such prepayment.
87.	Representation & Warranties	(a) The Issuer is a public listed Issuer, which has been duly incorporated and is validly existing under the Companies Act. (b) The Issuer has all Authorisations required to carry on its business as it is conducted from time to time. (c) The obligations expressed to be assumed by the Issuer in each Transaction Document are legal, valid, binding and enforceable obligations.

		(d) The entry into and performance by the Issuer of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with (i) any Applicable Law; (ii) its memorandum of association and articles of association; or (iii) any agreement or instrument binding upon it or any of its assets. (e) The Issuer has the power to enter into, perform and deliver, and has taken all necessary corporate action to issue the Debentures, authorize their entry into, performance and delivery of, the Transaction Documents and the transactions contemplated by those Transaction Documents. (f) All Authorisations required (i) to enable the Issuer to issue the Debentures, (ii) to lawfully enter into and comply with its obligations in the Transaction Documents; (iii) to enable the Issuer to carry on its business as it is being conducted from time to time; and (iv) to make the Transaction Documents admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect. (g) Issuance of Debentures is in compliance with all applicable laws. (h) no consent is required from any person or any Governmental Authority or any third party (including any existing lender) for the issue and listing of Debentures. (i) Legal, valid and binding nature of the Transaction Documents. (j) No outstanding default, material litigation, violation of law or material agreements. (k) Completeness and accuracy of financial statements and other information shared with investors/ arranger.
88.	Taxes duties cost and expenses	Relevant taxes, duties and levies are to be borne by the Issuer. All charges / fees and any amounts payable under this Instrument by the Issuer to the Investor/Arranger as mentioned herein do not include any applicable taxes (excluding Tax deducted at source), levies including service tax etc. and all such impositions shall be borne by the Issuer additionally.
89.	Business Day Convention	Any interest, commission or fee accruing in relation to the Debentures will accrue from day to day and is calculated on the basis of 365 (three hundred and sixty five) days' year or where the year is a leap year a 366 (three hundred and sixty six) days' year, and the actual number of days elapsed. In case any Coupon Payment Date falls on a day which is not a Business Day, the payment to be made on such Coupon Payment Date shall be made on the immediately succeeding Business Day. When the Redemption Date falls on a day which is not a Business Day, the payment to be made of such Redemption Date (including interest thereon) shall be made on the immediately preceding Business Day

		with interest till the date of payment. However, the schedule of Coupon payment will not be amended on account of change in payment date on account of holiday unless it is the Final Redemption Date of the Debentures.

Note:

1) If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.

2) The list of documents which have been executed in connection with the Issue and subscription of the Non-Convertible Debentures shall be annexed as Annexure VIII.

2. UPDATES TO THE DISCLOSURE IN THE GENERAL INFORMATION DOCUMENT

The information disclosed made in the General Information Document dated 29 May 2024 filed by the Issuer has been updated below:

a) Expense Of The Issue

Sr. No.	Expenses	Fees Amount (in INR)	Fees as a percentage of total issue expenses (%)	Fees as a percentage of total issue size (%)
(a)	Lead manager(s) fees,	NIL	NIL	NIL
(b)	Underwriting commission	NIL	NIL	NIL
(c)	Brokerage, selling commission and upload fees	NIL	NIL	NIL
(d)	Fees payable to the registrars to the issue	INR 15,000 per annum	0.57%	0.00012%
(e)	Fees payable to the legal advisors	INR 11,40,000	4.37%	0.00912%
(f)	Advertising and marketing expenses,	NIL	NIL	NIL
(g)	Fees payable to the regulators including stock exchanges	INR 10,05,000	3.85%	0.00804%
(h)	Expenses incurred on printing and distribution of Issue stationary	NIL	NIL	NIL
(i)	Arranger Fee	INR 2,34,37,500	89.82%	0.1875%
(j)	Debenture Trustee	INR 5,00,000	1.91%	0.004%

(i)	Any other fees, commission or payments under whatever nomenclature	NIL	NIL	NIL

b) Consent of the legal counsel to the Issue : Received

c) The name of the Debentures Trustee shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee: Axis Trustee Services Limited has provided its consent to be appointed as the debenture trustee for the Debentures vide consent letter ATSL/CO/24-25/00037 dated 24 May 2024 as attached in Annexure VI**.**

d) Additional Disclosures and Reports: Not Applicable

(a) If the proceeds, or any part of the proceeds, of the Issue are or is to be applied directly or indirectly:

(i) in the purchase of any business; or

in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the Company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant upon –

A. the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the Key Information Document; and

B. the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the Key Information Document.

(b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

(i) the names, addresses, descriptions and occupations of the vendors:

(ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill:

(iii) the nature of the title or interest in such property proposed to be acquired by the company:

(iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and

the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

(c) If:

(i) the proceeds, or any part of the proceeds, of the Issue are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the Company of shares in any other body corporate; and

(ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Company, a report shall be made by a Chartered Accountant (who shall be named in the Key Information Document) upon –

A. the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and

B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.

(d) The said report shall:

(i) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(ii) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

e) Default in payment: If, an Event of Default occurs, then the Issuer shall pay Coupon on the Debentures at a rate which is 2% Two per cent) over and above the applicable Coupon Rate for the period until such Event of Default ceases to exists or is cured to the satisfaction of the Trustee (acting on the instructions of the Debenture-holders).

f) ***Anchor Portion***

There will be an anchor investor for this Issue. The particulars of anchor investor and quantum of investment made by such anchor investor are as set out below:

Anchor Investor	ICICI Prudential Mutual Fund
Anchor Portion	The following amount is reserved for subscription by the Anchor Investor: 30% of the Issue Size of 1250 crores i.e. INR 375 crores

The Issuer shall have an option to avail an '*anchor portion'* within the Issue, subject to the below mentioned conditions:

i. The Issuer shall have the discretion to select the anchor investor(s) for the anchor portion.
ii. The quantum of allocation(s) to the anchor investor(s) shall be at the discretion of the Issuer, subject to total allocation to the anchor(s) not exceeding 30% (thirty percent) of the Issue size.
iii. There shall be no bidding for anchor portion on the BSE Bond EBP Platform.

Settlement amount for the anchor investor(s) where Coupon is specified by the Issuer shall be determined on the basis of the following:

i. For uniform yield allotment: The settlement amount shall be the 'cut-off' price determined in the bidding process i.e. total Issue size less the anchor portion.

ii. For multiple yield allotment: The settlement amount shall be the face value of the security.

Provided that, in case of re-issuance, the '*cut-off*' price determined in the bidding process shall be applicable on the anchor investor(s).

The remaining portion of the Issue (i.e. the non-anchor portion within the Issue size), shall be open for bidding by Eligible Investors at the chosen time slot on the BSE Bond EBP Platform. The anchor investor(s) may also participate in the said portion if identified as eligible participant(s) by the Issuer.

(g) Application Procedure and time schedule for allotment and issue of securities:

a. How to Apply

The detailed procedures to apply for the Debentures in dematerialized form are:

(i) The applicant must have at least one beneficiary account with any of the Depositaries prior to making the application.

(ii) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) in the application form.

(iii) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(iv) For subscribing to the Debentures, names in the application form should be identical to those appearing in the details maintained with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(v) Non-transferable allotment advice/ refund orders will be directly sent to the applicant by the Registrar & Transfer Agent to the Issue.

(vi) If incomplete/ incorrect details of the beneficiary account number and DP - ID are given in the application form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(vii) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/ its DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/ its demographic details given in the application form vis-à-vis those with his/ its DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

Applications for the Debentures must be made in the prescribed application form and must be completed in block letters in English by investors. Application forms must be accompanied by either a demand draft or cheque or electronic transfer drawn or made payable in favor of "ERIS LIFESCIENCES LIMITED". In case of an electronic transfer, the remittance should be made to the account number of the Issuer (Details of the account to be provided on completion of EBP bidding).

The full amount of the Issue price of the Debentures applied for has to be paid along with the delivery of the fully completed and executed debenture application form together with other applicable documents described below.

The Issuer reserves the right to change the issue schedule including the relevant Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the issue schedule.

b. Who Can Apply

Only the persons who are specifically addressed through a communication by or on behalf of the Company directly are eligible to apply for the Debentures. An application made by any other person will be deemed as an invalid application and rejected. In order to, subscribe to the Debentures a person must be either:

- Companies, Non-Banking Finance Companies and Bodies Corporate including Public
- Sector Undertakings
- Commercial Banks
- Financial Institutions
- Insurance Companies
- Mutual Funds
- Provident Funds and Pension Funds
- Investment holding companies of high net worth individuals
- Any other investor authorized/ eligible to invest in these Debentures.

All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this issue of Debentures.

Above list is illustrative only. Investors are requested to check their eligibility to invest in this instrument as per rules, regulations, guidelines, statute or any government order applicable to them. Issuer has not checked the eligibility for any class of investors.

c. Application by Banks/ Corporate Bodies/ Mutual Funds/ Trusts/ Statutory Corporations.

The following is an indicative list of documents, the certified true copies of which should be provided with the application:

(i) **Application by Banks**

- Memorandum and Articles;
- resolution authorizing investment and containing operating instructions or letters of authorizations and power of attorney, if applicable;
- specimen signatures of authorized signatories;
- necessary form for claiming exemption from deduction of tax at source on interest, if applicable; and
- Registration certificate as may be applicable.

(ii) **Application by Corporate Bodies/ Trusts/ Statutory Corporations.**

- Memorandum and Articles;
- Resolution authorizing investment and containing operating instructions or letters of authorizations and power of attorney, if applicable;
- specimen signatures of authorized signatories;
- necessary form for claiming exemption from deduction of tax at source on interest, if applicable; and
- Registration certificate as may be applicable.

(iii) **Application by Mutual Funds/ Custodians of Mutual Funds/ Insurance Companies**

- SEBI registration certificate/ IRDA registration certificate, as may be applicable;
- Constitutional documents;
- resolution authorizing investment and containing operating instructions or letters of authorizations and power of attorney, if applicable;

Application form for application made by Asset Management Company or custodian of mutual fund shall clearly indicate the name of the concerned scheme for which application is being made.

(iv) **Application under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures all of authorized signatories must be lodged along with the submission of the completed application form. Further modifications/ additions in the power of attorney or authority should be delivered to the Issuer at registered office.

(v) **Central Know Your Customer Register (CKYCR)**

The applicants should submit the required Central KYCR documents as prescribed by the RBI along with the application forms, including FATCA declaration as applicable. Applications which are not in compliance with the above requirement shall be liable to be rejected.

(vi) **PAN No:**

All applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or declaration in Form 60. Applications without this will be considered incomplete and are liable to be rejected.

d. Submission of Completed Application Form

All applications duly completed and accompanied with all necessary documents shall be submitted to the Issuer at its registered office.

e. Right to Accept/ Reject Applications

The Issuer is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason. Application forms which are incomplete, or which do not fulfill the terms & conditions indicated on the back of the Application Form are liable to be rejected.

f. Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within seven Business Days from the Deemed Date of Allotment of the Debentures. In case the Company has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Company repay the moneys to the extent of such excess, if any.

g. Submission of Completed Application Form

All applications duly completed and accompanied with all necessary documents shall be submitted to the Company at its registered office. Post the provisional allocation of the Debentures, the successful Eligible Investors must submit the Application Form for the Debentures in Annexure VII (*Application Form*) in block letters in English as per the instructions contained therein.

h. Basis of Allotment

The Allotment will be in accordance with the Act, SEBI Debt Listing Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Master Circular and all other application law.

i. Deemed Date of Allotment : 7 June 2024.

j. Issue Schedule: Please see "Issue Schedule" on Page 3 of the Key Information Document.

k. Delay in allotment of securities

Under the terms of the Companies Act, 2013, a company making an offer or invitation shall allot its securities within 60 (sixty) days from the date of receipt of the application money for such securities and if the Company is not able to allot the securities within that period, it shall repay the application money to the subscribers within 15 (fifteen) days from the expiry of 60 (sixty) days and if the Company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of 15% (fifteen percent) per annum.

3. DISCLOSURES UNDER FORM PAS-4 PURSUANT TO SECTION 42 AND RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014.

SUB-PART A PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

A. **General Information**

(a) **Name, address, website (if any) and other contact details of the company indicating both registered office and corporate office:**

i. **Name of the Company:** Eris Lifesciences Limited

ii. **Website:** www.eris.co.in.

iii. **Contact Details**: complainceofficer@erislifesciences.com

iv. **Registered and Corporate office of the Company:** Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054

(b) **Date of incorporation of the Company:** January 25, 2007

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any:**
Please refer to Paragraph 3 of Section III (*General Information*) of the General Information Document.

(d) **Brief particulars of the management of the Company:** Please refer to Paragraphs 6 to 11 of Section III (*General Information*) of the General Information Document.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors:**

Please refer to Paragraph 10 of Section III (*General Information*) of the General Information Document.

(f) **Management's perception of risk factors:** Please refer to Section IV (*Risk Factors*) of the General Information Document

(g) **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of**:

i. **Statutory dues:** Please refer to Paragraph 20 of Section III (*General Information*) of the General Information Document

ii. **Debentures and interest thereon**: Please refer to Paragraph 20 of Section III (*General Information*) of the General Information Document

iii. **Deposits and interest thereon:** Please refer to Paragraph 20 of Section III (*General Information*) of the General Information Document

iv. **Loan from any bank or financial institution and interest thereon:** Please refer to Paragraph 20 of Section III (*General Information*) of the General Information Document

(h) **Name, designation, address and phone number, email ID of the nodal/ compliance officer of the Company, if any, for the private placement offer process:**

i. **Name:** Mr. Milind Talegaonkar

ii. **Designation:** Company Secretary

iii. **Address:** Shivarth Ambit, Plot No. 142/2, Ramdas Road, Off SBR, Near Swati Bungalows, Bodakdev, Ahmedabad - 380054

iv. **Email:** complianceofficer@erislifesciences.com

(i) **Any Default in Annual filing of the Company under the companies Act, 2013 or the rules made there under**: Please refer to Paragraph 36 of Section III (*General Information*) of the General Information Document

Part B: Particulars of offer/Issue:

Financial Position of the Company for the last 3 (Three) Financial Year	Please refer to the Annexure 8 of the General Information Document
Date of Board Resolution and committee resolution	21 May 2024 and 22 May 2024. A copy of the resolution is annexed to this Key Information Document at Annexure V.
Date of passing of resolution in the general meeting, authorizing the offer of securities	3 February 2017. A copy of the resolution is annexed to this Key Information Document at Annexure V.
Kinds of securities offered (i.e. whether share or Debenture) and class of security; the total number of shares or other securities to be issued	1,25,000 unsecured, redeemable, rated, listed, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (STRPP) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) - STRPP I, (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred and Twenty Five Crores Only) - STRPP II, on private placement

	basis, the Issuer reserves the right to increase or alter the Issue size.
Price at which the security is being offered including the premium, if any, along with justification of the price	1,25,000 unsecured, redeemable, rated, listed, non-convertible debentures of face value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (STRPP) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) - STRPP I, (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred and Twenty Five Crores Only) - STRPP II, both STRPP I and STRPP II at an interest rate of 8.73%.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	No applicable
Relevant date with reference to which the price has been arrived at; (Relevant date means a date at least thirty days prior to the date on which the general meeting of the Company is schedule to be held)	Not applicable
The class or classes of persons to whom the allotment is proposed to be made;	Please refer to the 'Eligible Investors' of Issue Structure, Terms & Conditions above.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) (not required in case of issue of nonconvertible debentures)	Please refer to Paragraph 3 of Section V (*Particulars of the offer*) of the General Information Document.
The Proposed time within which the allotment shall be completed.	On deemed date of allotment
The names of the proposed allottees and the percentage of post private placement capital that may be held by them (not required in case of issue of non-convertible debentures)	Not Applicable
The change in control, if any in the Company that would occur consequent to the private placement.	Not Applicable
The number of person to whom allotment on preferential basis / private placement / right issue has already been made during the year, in terms of number of securities as well as price.	Please refer to Section III (*General Information*) of the General Information Document.
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable
Amount which the Company intends to raise by way of proposed offer of	1,25,000 unsecured, redeemable, rated, listed, non-convertible debentures of face value of INR 1,00,000

securities	(Indian Rupees One Lakh) each aggregating up to INR 1,250,00,00,000 (Indian Rupees One thousand two hundred and fifty crores only) in two separately transferable and redeemable principal parts (STRPP) being (I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) - STRPP I, (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred and Twenty Five Crores Only) - STRPP II, the Issuer reserves the right to increase or alter the Issue size.
Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment	Duration: In relation to, (i) STRPP I – 2.5 years ; and (ii) STRPP II – 3 years. Rate of Interest: 8.73% Mode of Payment: As per instruction given by Stock Exchange for BSE EBP Bidding and Settlement Mechanism. Mode of Repayment: Cheque/ DD/ RTGS/ NEFT/ NACH/ Electronic mode and any other prevailing mode of payment from time to time.
Proposed time schedule for which the Private placement cum application letter is Valid.	The offer under this Key Information Document is valid up to and including the Issue Closing Date. No Applications shall be accepted after the Issue Closing Date.
Purposes and objects of the offer	Please refer to “Objects of the Issue/ purpose for which there is requirements of funds” and “Details of utilization of the proceeds” of Issue Structure, Terms & Conditions above.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Please refer to paragraph 3(c)(iv) of Section V (*Particulars of the Offer*) of the General Information Document.
Principle terms of assets charged as security, if applicable	Not Applicable
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Please refer to Paragraph 3 of Section V (*Particulars of the offer*) of the General Information Document.
The pre - issue and post-issue shareholding pattern of the company in the following format	Not Applicable

Mode of Payment for Subscription: - through banking channel

(i) **Disclosures with regard to interest of directors, litigation etc.**

(a) **Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons:**

Please refer to Paragraph 3(a) Section V (*Particulars of the offer*) of the General Information Document.

(b) **Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last 3 (Three) years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action:**

Please refer to Paragraph 3(b) Section V (*Particulars of the offer*) of the General Information Document.

(c) **Remuneration of directors (during the current year and the last 3 (Three) financial years):**

Please refer to Paragraph 3(c) of Section V (*Particulars of the offer*) of the General Information Document

(d) **Related party transactions entered during the last 3 (Three) financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided:**

Please refer to Paragraph 3(d) of Section V (*Particulars of the offer*) of the General Information Document.

(e) **Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (Five) financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark:**

Please refer to Paragraph 3(e) of Section V (*Particulars of the offer*) of the General Information Document

(f) **Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous Company law in the last 3 (Three) years immediately preceding the year of circulation of offer letter in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (Three) years immediately preceding the year of the offer letter and if so, section-wise details thereof for the Company and all of its subsidiaries:**

Please refer to Paragraph 3(f) of Section V (*Particulars of the offer*) of the General Information Document

(g) **Details of acts of material frauds committed against the Company in the last 3 (Three) years, if any, and if so, the action taken by the Company:**

Please refer to Paragraph 3(j) of Section V (*Particulars of the offer*) of the General Information Document

(ii) **Financial Position of the Company:**

(a) The capital structure of the Company in the following manner in a tabular form:

i. **The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value): Please refer to Section VI *(Financial Position of the Company*) of the General Information Document.**

Please refer to Paragraph 1 of Section VI *(Financial Position of the Company)* of the General Information Document

ii. **Size of the present offer:** Please refer to "Issue Size" of Issue Structure, Terms & Conditions above

iii. **Paid up capital:** Please refer to Paragraph 1 of Section VI *(Financial Position of the Company)* of the General Information Document

iv. **Share premium account**: Please refer to Paragraph 1 of Section VI *(Financial Position of the Company)*

of the General Information Document

v. **The details of the existing share capital of the Issuer Company in a tabular form (indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:**

Please refer to Clause 4 under section VI *(Financial Position of the Company)* of the General Information Document

(b) **Profits of the Company, before and after making provision for tax, for the 3 (Three) financial years immediately preceding the date of issue of private placement offer cum application letter:** Please refer to Paragraph 9 of Section VI *(Financial Position of the Company)* of the General Information Document

(c) **Dividends declared by the Company in respect of the said 3 (Three) financial years; interest coverage ratio for last 3 (Three) years (Cash profit after tax plus interest paid/interest paid):** Please refer to Paragraph 10 of Section VI*(Financial Position of the Company)* of the General Information Document

(d) **A summary of the financial position of the Company as in the 3 (Three) audited balance sheets immediately preceding the date of Issue of private placement offer cum application letter:** Please refer to Paragraph 11 of Section VI *(Financial Position of the Company)* of the General Information Document

(e) **Audited Cash Flow Statement for the 3 (Three) years immediately preceding the date of Issue:** Please refer to Annexure 8 the General Information Document

(f) **Any change in accounting policies during the last 3 (Three) years and their effect on the profits and the reserves of the Company:** Please refer to Paragraph 13 of Section VI *(Financial Position of the Company)* of the General Information Document

PART B SUB-APPLICANT DETAILS : Please refer to the Application Form as set out in Annexure VII of this Key Information Document.

2. DIRECTOR'S DECLARATION

a) the Issuer has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules made thereunder and applicable RBI Regulations;

b) The compliance with the said Act and the rules made thereunder does not imply that payment of dividend or interest or repayment of preference shares or Non -Convertible Debentures, if applicable, is guaranteed by the Central Government;

c) The monies received under the offer shall be used only for the purposes and objects indicated in the General Information Document and this Key Information Document;

d) Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

e) Nothing in the General Information Document and this Key Information Document is contrary to the provisions of Companies Act, 2013 (18 of 2013), the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made thereunder.

f) Pursuant to the powers delegated to the Executive Committee by the Board of Directors of the Issuer at their Meeting held on 21 May 2024, and the approval granted by the Executive Committee at their Meeting held on 22 May 2024, I am authorized by the Board of Directors of the Issuer to sign this form and declare the aforesaid points

For Eris Lifesciences Limited

KAUSHAL KAMLESH SHAH

Digitally signed by KAUSHAL KAMLESH SHAH
DN: c=IN, postalCode=380059, st=GUJARAT, street=6 VENETIAN VILLAAHMEDABADTHALTEJ SHILAJ ROADOPP ANAND NIKETAN SCHOOL 380059, l=AHMEDABAD, o=Personal, title=0450, serialNumber=3e679d2ae17c6f102130c34ba1e61cba67d1c6092b77ef9dc678760e4fafb43d, pseudonym=0450202211151558267 67, 2.5.4.20=e983c1e44f71791b851868c1bb4b6dc50131f60adda698a40fe29ed1e6178ee1, email=KAUSHAL.SHAH@ERISLIFESCIENCES.COM, cn=KAUSHAL KAMLESH SHAH
Date: 2024.05.30 16:22:29 +05'30'

Kaushal Kamlesh Shah

Director

DIN: 01229038

Place: Ahemdabad
Date: May 29, 2024

KAUSHAL KAMLESH SHAH

Digitally signed by KAUSHAL KAMLESH SHAH
DN: c=IN, postalCode=380059, st=GUJARAT, street=6 VENETIAN VILLAAHMEDABADTHALTEJ SHILAJ ROADOPP ANAND NIKETAN SCHOOL 380059, l=AHMEDABAD, o=Personal, title=0450, serialNumber=3e679d2ae17c6f102130c34ba1e61cba67d1c6092b77ef9dc678760e4fafb43d, pseudonym=0450202211151558267 67, 2.5.4.20=e983c1e44f71791b851868c1bb4b6dc50131f60adda698a40fe29ed1e6178ee1, email=KAUSHAL.SHAH@ERISLIFESCIENCES.COM, cn=KAUSHAL KAMLESH SHAH
Date: 2024.06.10 19:51:42 +05'30'

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ANNEXURE I
CREDIT RATING LETTERS

Mr. Sachin Shah
CFO
Eris Lifesciences Limited
Opp. Swati Bunglow, Shivarth Ambit, Ramdas Road,
Thaltej, Ahmedabad, Gujarat- 380059

May 28, 2024

Dear Sir/Madam,

Re: Rating Letter of Eris Lifesciences Limited

India Ratings and Research (Ind-Ra) has taken the following rating actions on Eris Lifesciences Limited (ELL) and its debt instruments:

Instrument Type	Date of issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/ Watch	Rating Action
Issuer rating	-	-	-	-	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Proposed non-convertible debentures	-	-	-	INR12,500	IND AA-/Positive	Assigned
Term loan	-	-	March 2028	INR2,095 (reduced from INR2,239)	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Term loan	-	-	March 2028	INR4,490	IND AA-/Positive	Assigned
Fund-based working capital facilities	-	-	-	INR3,390 (reduced from INR5,000)	IND AA-/Positive/IND A1+	Outlook revised to Positive from Stable Rating affirmed

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Rakesh Valecha
Senior Director

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount(INR million)
Fund Based Working Capital Limit	HDFC Bank Limited	IND AA-/Positive/IND A1+	1500.00
Fund Based Working Capital Limit	Citibank N.A.	IND AA-/Positive/IND A1+	1140.00
Term Loan	Axis Bank Limited	IND AA-/Positive	2095.00
Fund Based Working Capital Limit	Axis Bank Limited	IND AA-/Positive/IND A1+	750.00
Term Loan	Citibank N.A.	IND AA-/Positive	2602.00
Term Loan	HDFC Bank Limited	IND AA-/Positive	1888.00

India Ratings Revises Eris Lifesciences's Outlook to Positive; Affirms Exiting Debt and Rates Proposed NCDs at 'IND AA-'

May 28, 2024 | Pharmaceuticals

India Ratings and Research (Ind-Ra) has taken the following rating actions on Eris Lifesciences Limited (ELL) and its debt instruments:

Details of Instruments

Instrument Type	Date of issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/ Watch	Rating Action
Issuer rating	-	-	-	-	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Proposed non-convertible debentures	-	-	-	INR12,500	IND AA-/Positive	Assigned
Commercial papers*	-	-	90 days	INR9,750	IND A1+	Affirmed
Term loan	-	-	March 2028	INR2,095 (reduced from INR2,239)	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Term loan	-	-	March 2028	INR4,490	IND AA-/Positive	Assigned
Fund-based working capital facilities	-	-	-	INR3,390 (reduced from INR5,000)	IND AA-/Positive/IND A1+	Outlook revised to Positive from Stable Rating affirmed

*The commercial paper (CP) programme is not carved out of the working capital limits, as the same is a bridge loan which will be converted into non-convertible debentures (NCDs) upon expiry.

Analytical Approach

Ind-Ra continues to fully consolidate ELL's subsidiaries to arrive at the ratings, due to the strong operational and strategic linkages among them. All the subsidiaries are engaged in the manufacturing and/or selling of pharmaceutical formulations.

Detailed Rationale of the Rating Action

The Outlook revision to Positive reflects Ind-Ra's expectation of strong growth in revenue and profitability in FY25, supported by the successful integration of the acquisitions made during FY24 and April 2024. The recent acquisition of a 70% stake in Swiss Parenterals Limited (SPL) and branded injectable business from Biocon Biologics Limited is expected to give ELL access to their large injectables portfolio, which it can leverage to build a branded injectable business in India, along with exposure to RoW markets (Africa, Asia-Pacific, Middle East and Latin America) among other benefits. Furthermore, Ind-Ra expects the consolidated net leverage (net debt including lease liabilities/EBITDA) to improve to 2x-3x in FY25 and further to below 2x from FY26, supported by an improvement in the operating profitability on account of increased operating leverage from the significantly higher capacities, a better product mix and a strong chronic portfolio in the absence of any additional debt-funded capex.

List of Key Rating Drivers

Strengths

- Strong business profile with predominant domestic formulation business
- Key focus on chronic therapy
- Healthy operational performance
- Healthy credit metrics

Weaknesses

- Regulatory risk
- Merger and acquisition (M&A) integration risk

Detailed Description of Key Rating Drivers

Strong Business Profile with Predominant Domestic Formulation Business: ELL has a fully integrated business model with a manufacturing facility each in Guwahati and Ahmedabad which together contributed 58% to its sales in FY24 (FYF23: 70% and FY22: 79%). ELL also has an established market presence in its core cardio-metabolic franchise with an operating record of 16 years. According to the management, ELL is ranked 21st in the Indian pharmaceutical market (IPM) and has a strong distribution network across India with over 2,000 stockists, 4,858 field force and over 500,000 chemists. Among the top therapies, ELL has channelised its efforts in the top 20 mother brands, which contribute 70% to its total revenue. ELL generates a majority of its revenues from the metros and class I cities in the country.

ELL's salesforce efficiency (as measured by revenue per marketing representative) had improved by 69% over FY12 to FY23. It had launched over 150 products over FY16-FY23, while improving the brand franchises of existing products. Moreover, ELL has a limited exposure of 7% to the National List of Essential Medicines portfolio, implying the limited impact of price control. Being a predominant formulation player in the domestic market, ELL's balance sheet and profitability ratios stand out against that of its peers.

Key Focus on Chronic Therapy: Ind-Ra expects ELL's key therapies to grow at a CAGR of 12%-14% over FY24-FY27, including M&A completed up to April 2024. The sales mix has consistently improved in favour of the chronic and sub-chronic segments (87% of the total sales in FY23), which are stable and accrue higher margins than the other segments. According to Ind-Ra's analysis, ELL has emerged as the fastest-growing company in the chronic categories (13.5% CAGR over FY19-FY23) among the top 25 companies in India. ELL's product portfolio of cardiac and anti-diabetic drugs relies mainly on prescriptions by specialists and super specialists. With multiple strategic acquisitions in the recent past, ELL has entered into new therapies of dermatology, immunotherapy and cosmetology, and consolidated its position in cardio-metabolic and women's health therapies. The revenue contribution from the top three therapies i.e. diabetes, cardiac, and vitamins was 54% in FY24 (FY23: 66% and FY22: 80%), whereas that from emerging therapies i.e. derma, central nervous systems (CNS) and women's health reduced to 22% (26%) as a result of its diversification. As per All Indian Origin Chemists & Distributors Ltd-Advanced Working, Action & Correction System, ELL's key therapies such as anti-diabetic (19% vs IPM: 11%), cardiac (10% vs 10.3%), vitamins (8% vs 9%), women health (10% vs 11%), CNS (13% vs 9%) have outperformed IPM's therapy market in terms of sales growth (CAGR FY16-FY24). ELL's sales grew at a strong CAGR of 14% over FY16-FY24.

Healthy Operational Performance: ELL's consolidated revenue grew at a healthy 19.2% yoy to INR20,092 million during FY24, driven by growth in its key therapies such as a) anti-diabetes (23% of FY23 sales) which grew 25% yoy against IPM's anti-diabetes growth at 6%; b) cardiac (16%), 9% yoy vs IPM's 10%; and c) vitamins (14%), 9% yoy vs IPM's 7%. The revenue in FY24 was also supported by revenue contribution from Oaknet Healthcare Pvt Ltd, growth in the cardio-metabolic segment and emerging specialty therapies such as derma, CNS and women's health.

ELL has one of the highest gross margins and EBITDA margins among the other top Indian pharma players. The consolidated gross margin increased marginally to 81.1% in FY24 (FY23: 79.1% and FY22: 82.2%) due to a higher revenue contribution from the higher-margin business. This led to the consolidated EBITDA margin rising to 34% in FY24 (FY23: 32% and FY22: 36%).

Healthy Credit Metrics: The consolidated gross interest coverage (operating EBITDA/gross interest expense) reduced to 8x in FY24 (FY23: 21x and FY22: 117x) and the consolidated net leverage (net debt including lease liabilities /EBITDA) increased to 3.98x (1.47x; negative 0.14x), on account of a higher interest expense of INR848 million (INR262 million; INR41 million), resulting from an increase in the total debt on account of the recent acquisitions.
The deterioration in metrics would have been more if not for the strong absolute EBITDA which grew to INR6,748 million in FY24 (FY23: INR5,367 million and FY22: INR4,850 million). Ind-Ra however had already factored into the ratings the higher debt during the last review.

The agency expects the consolidated net leverage to improve to 2x-3x for FY25 and further to below 2x from FY26, supported by a robust operating profitability. FY25 will be the first financial year when the revenue and profitability of its recent acquisitions will be consolidated by ELL. According to the management of ELL, the increase in interest cost due to an increase in debt will be offset by a robust operating profitability of base business as well as acquired businesses. The agency has further factored into the ratings the company's major debt-funded acquisitions in 1QFY25; however, higher-than-Ind-Ra-expected debt-funded acquisitions will be negative for the ratings. While the

company has adequate leverage headroom, the agency will assess the impact of M&A on a case-to-case basis and review the ratings accordingly.

Ind-Ra expects the company's EBITDA to improve over FY24-FY26, driven by a strong revenue contribution from the higher-margin businesses, a better product mix and a strong chronic portfolio.

Regulatory Risks: ELL is exposed to price control risk as it derives majority of its revenue from the domestic formulation market. Its domestic portfolio is under price control at just 7% against IPM's 14%, as per All Indian Origin Chemists and Distributors Ltd-Advanced Working, Action and Correction System; moving annual total September 2023. Furthermore, the government's increased focus on generic medicine could impact the revenue growth and profitability of the company, as ELL is a branded pharmaceutical company in India with strong brand equity among specialists and super specialists.

M&A Integration Risk: ELL has made a series of acquisitions over FY21-FY24. It acquired Oaknet for INR6,500 million in May 2022; nine dermatology brands from Glenmark Pharmaceuticals Limited ('IND AA'/Stable) for INR3,400 million in January 2023; nine dermatology brands from Dr. Reddy's Laboratories Limited ('IND AA+'/Stable) for INR2,750 million in March 2023, Biocon Limited's ('IND AA'/Stable) nephrology and immunotherapy businesses for INR3,660 million in November 2023 and 51% stake in SPL for INR6,375 million in February 2024 along with an additional 19% stake in April 2024 for INR2,375 million. ELL has also acquired the Indian branded formulation business from Biocon Biologics Limited for a consideration of INR12,420 million in April 2024. Any difficulty in integrating the acquired assets could affect the revenue and operating profits.

Liquidity

Adequate: On a consolidated basis, the maximum utilisation of the fund-based limits was around 24% over the 12 months ended April 2024. ELL had unencumbered cash balances of INR942 million at FYE24 (FYE23: INR860 million, FYE22: INR1,504 million). The consolidated operating cash flow to EBITDA margin stood at 72% for FY24 (average of FY21-FY23: 73.2%).

ELL's net working capital cycle (on sales basis) remains short due to its predominantly India business (FY24: 62 days FY23: 64 days, FY22: 44 days). It had a receivable period of 77 days in FY24 (FY23: 63 days, FY22: 44 days), inventory holding period of 34 days (28, 32 days) and payable period of 49 days (28, 32 days). ELL paid nil dividends in FY24 (FY23: INR999 million and FY22: INR816 million).

The consolidated net debt (including lease liabilities) stood at INR26,870 million at FYE24 (FYE23: INR7,907 million, FYE22: negative INR660 million). On a consolidated basis, ELL has term loan repayment obligations of around INR2,958 million and INR2,560 million in FY25 and FY26, respectively.

Additionally, the company issued NCDs of INR4,375 million in February 2024 to the sellers of SPL and expects to repay them after 12 months through internal accruals. Also, the INR9,750 million raised through CPs for acquisition would be refinanced by NCDs of INR12,500 million to be raised in June 2024. The NCD proceeds will also be used to pay INR2,375 million to its promoters against the 19% stake acquired in SPL. Thus, it would not have any major impact on the liquidity of the company.

Rating Sensitivities

Positive: A substantial improvement in the revenue and EBITDA, led by a successful ramp-up of the enhanced production capacity and positive free cash flow generation, all on a sustained and consolidated basis, with net leverage dropping below 2x could lead to a positive rating action.

Negative: Lower-than-expected EBITDA generation and/or a higher-than-expected debt levels due to higher capex/working capital/investments, leading to an increased likelihood of the consolidated net leverage exceeding 2x beyond FY25, on a sustained basis, would lead to a revision of the Outlook back to Stable.

Any Other Information

Standalone Performance: ELL's revenue stood at INR14,867 million during FY24 (FY23: INR13,307 million, FY22: INR12,157 million) with an EBITDA of INR4,538 million (INR5,051 million, INR4,840 million) and EBITDA margin of 31% (38%; 40%). The interest coverage was at 8x in FY24 (FY23: 24x: FY22: 162x) while the net leverage (net debt including lease liabilities/EBITDA) was 5.55x (0.56x; negative 0.22x).

CP Programme Liquidity Backup: Ind-Ra typically expects investment-grade CP issuers to have a full liquidity back-up available for the outstanding CP in line with its Short-Term Ratings Criteria for Non-Financial Corporates. Hence, in case of issuers rated 'IND AA-' or below, the agency usually requires CP to be carved out of the entity's fund-based working capital limits, given the higher refinancing frequency in

CP. A variation from the rating criteria has been made in the case of ELL, given that the CP is a bridge loan and not a permanent feature of the capital structure. The CP will be refinanced by long-term debt upon expiry.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on ELL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

ELL, a 100% domestic formulation company, was established in 2007. It was listed on BSE Ltd in June 2017. As on 31 March 2024, the promoters held a stake of 54.90% in ELL. It focuses on the branded generics business in the chronic (87% of sales) and acute segments (13% of sales). The company has drugs across therapies such as anti-diabetes, cardiovascular, dermatology, gastroenterology and gynaecology, anti-infectives, vitamins, and other therapeutic areas. ELL has two manufacturing facilities, one each in Guwahati, Assam and Ahmedabad, Gujarat. The company has a field force of 3,443 medical representatives and 1,415 field managers. The company markets its products primarily to specialist/ super specialist doctors and consulting physicians.

KEY FINANCIAL INDICATORS- CONSOLIDATED

Particulars	FY24	FY23
Revenue (INR million)	20,091	16,851
EBITDA (INR million)	6,748	5,367
EBITDA margin (%)	34	32
Interest expenses (INR million)	848	262
Interest coverage (x)	8	21
Net leverage (x)	3.98	1.47
Total debt (INR million)	27,813	8,767
Free cash and liquid investments (INR million)	942	860
Source: ELL, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Rating	11 March 2024	17 May 2023	4 May 2023
Issuer rating	Long-Term	-	IND AA-/Positive	IND AA-/Stable	IND AA-/Stable	IND AA-/Stable
Proposed non-convertible debentures	Long-term	INR12,500	IND AA-/Positive	-	-	-
Commercial papers	Short-term	INR9,750	IND A1+	IND A1+	-	-
Term loan	Long-term	INR6,585	IND AA-/Positive	IND AA-/Stable	IND AA-/Stable	
Fund-based working capital facilities	Long-term/ Short-Term	INR3,390	IND AA-/Positive/IND A1+	IND AA-/Stable/IND A1+	IND AA-/Stable/IND A1+	-

Bank wise Facilities Details

Click here to see the details

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Commercial papers	Low
Non-convertible debentures	Low
Term loan	Low
Fund-based working capital facilities	Low

For details on the complexity level of the instruments, please visit www.indiaratings.co.in/complexity-indicators.

APPLICABLE CRITERIA

Parent and Subsidiary Rating Linkage

Evaluating Corporate Governance

Short-Term Ratings Criteria for Non-Financial Corporates

Corporate Rating Methodology

The Rating Process

Contact

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About India Ratings and Research: India Ratings and Research (Ind-Ra) is committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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ANNEXURE II
IN PRINCIPLE APPROVAL

BSE
The Power of Vibrance

May 29, 2024

DCS/COMP/BB/IP-PPDI/035/24-25

Eris Lifesciences Limited
Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near
Swati Bungalows, Bodakdev, Ahmedabad, Gujarat,380054

Dear Sir/Madam

Re: Private Placement of Listed, Rated, Secured/Unsecured, Redeemable, Transferable, Non-Convertible Securities and Commercial Papers ("NCDs"); Under GID No.: GID-2024-25/01; Dated May 29, 2024 (The Issue)

We acknowledge receipt of your application on the online portal on May 28, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Hardik Bhuta
Asst. Gen. Manager

Akshay Arolkar
Deputy Manager

ANNEXURE III
ILLUSTRATION OF NON-CONVERTIBLE DEBENTURE CASH FLOWS

STRPP	**STRPP I**	**STRRP II**
Series Name	**8.73% Eris NCDs 2026**	8.73 **% Eris NCDs 2027**
Face Value (per security)	Rs 1,00,000/-	Rs 1,00,000/-
Issue Size (Rs.)	Issue of 62,500 listed, rated, unsecured, redeemable and non-convertible debentures, of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) (STRPP I).	Issue of 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred And Twenty Five Crores Only) (STRPP II).
Issue Price	As determined on 6 June 2024 on the EBP platform	As determined on 6 June 2024 EBP on the platform
Residual Tenor in Days	913 days	1095 days
Redemption Date	7 December 2026	7 June 2027
Coupon Rate	8.73%	8.73%
Interest Payment	Payable on 9 June 2025 and 8 June 26 and at maturity on 7 December 2026.	Payable on 9 June 2025 and 8 June 26 and at maturity on 7 June 2027.
Redemption/Maturity Value	INR 625,00,00,000	INR 625,00,00,000
Day Count Convention	Actual/Actual	Actual/Actual

Cash flow per Non-Convertible Debenture (Face value: INR 100,000/-) of STRPP I (Amount - INR 6,250,000,000, Tenor - 30 months)

Pay in Date		**Coupon Payment Date**	**Coupon Calculation Date**	**Actual coupon days**	**Days in a year**	**Coupon Amount**	**Total Cashflow**
7-Jun-24	**6,250,000,000**						**6,250,000,000**
		9-Jun-25	**7-Jun-25**	**365**	**365**	**545,625,000.00**	**-545,625,000**
		8-Jun-26	**7-Jun-26**	**365**	**365**	**545,625,000.00**	**-545,625,000**
	-6,250,000,000	**7-Dec-26**	**7-Dec-26**	**183**	**365**	**273,559,931.51**	**-6,523,559,932**
		(Note: 7th June 2025 and 7th June 2026 falls on weekend so coupon payment on succeeding business day)					

Cash flow per Non-Convertible Debenture (Face value: INR 100,000/-) of STRPP II (Amount – INR 6,250,000,000, Tenor - 36 months)

Pay in Date		Coupon Payment Date	Coupon Calculation Date	Actual coupon days	Days in a year	Coupon Amount	Total Cashflow
7-Jun-24	6,250,000,000						6,250,000,000
		9-Jun-25	7-Jun-25	365	365	545,625,000.00	-545,625,000
		8-Jun-26	7-Jun-26	365	365	545,625,000.00	-545,625,000
	-6,250,000,000	7-Jun-27	7-Jun-27	365	365	545,625,000.00	-6,795,625,000
		(Note: 7th June 2025 and 7th June 2026 falls on weekend so coupon payment on succeeding business day)					

If the coupon/ dividend payment date of the non- convertible securities falls on a Sunday or a holiday, the coupon payment shall be made on the next working day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in the offer document.
If the maturity date of the debt securities, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day.

Working day shall mean
(i) in relation to announcement of bid or issue period, a day, other than Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;
(ii) in relation to time period between the Issue closing date and the listing of the Debentures on the Exchange, a day on which the Exchange is open for trading, other than Saturdays, Sundays and bank holidays, as specified by SEBI; and
(iii) in all other cases, a day on which commercial banks in Mumbai are open for general business in Mumbai.

ANNEXURE IV
ROLES AND RESPONSIBILITIES OF THE DEBENTURE TRUSTEE

1. The Issuer has appointed Axis Trustee Services Limited as the debenture trustee for the Debenture holders of all the Debentures to be issued by the Issuer in pursuance of this Key Information Document and Axis Trustee Services Limited agrees to act as debenture trustee for the Debenture Holders.

2. The Issuer and the Debenture Trustee shall comply with the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time), SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, dated August 09, 2021 (as amended, varied or modified from time to time) read with Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024 (as amended, varied or modified from time to time) and other applicable law.

3. The Issuer undertakes to promptly furnish any and all information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the Relevant Laws and the Debenture Trust Deed on a regular basis, including without limitation the following documents, as may be applicable:

   (a) General Information Document and Key Information Document in relation to the issue of Debentures to facilitate the Debenture Trustee to review and provide comments, if any;
   (b) The Issuer's memorandum and articles of association and necessary corporate authorisations by way of board resolution and/or shareholder resolution necessary for the issue and allotment of Debentures;
   (c) Agreement with the registrar to issue;
   (d) Letters from credit rating agencies about ratings;
   (e) Depository details;
   (f) Bank Account details of the Issuer along with copy of pre-authorisation letter issued by Issuer to the banker in relation to the payment of redemption amount and interest amount;
   (g) Executed Debenture Trustee Agreement;
   (h) Debenture Trust Deed;
   (i) Acknowledgement of filing General Information Document and Key Information Document with the Stock Exchange;
   (j) Form PAS-3 Return of Allotment along with annexures as filed with the Registrar of Companies;
   (k) Listing application along with the required details / annexures submitted to the Stock Exchange;
   (l) In- principle approval for listing of the Debentures from the Stock Exchange(s);
   (m) Listing and trading permission from the Stock Exchange;
   (n) Confirmation/proofs of payment of interest and principal amounts made to the Debenture Holders on due dates as per the terms of the Debenture Trust Deed and applicable rules and regulations as may be issued by SEBI including Relevant Laws;
   (o) Statutory auditor's certificate for utilization of funds/issue proceeds;
   (p) Beneficiary position reports as provided by the registrar and transfer agent;
   (q) Information to enable the Debenture Trustee to carry out the necessary due diligence, as applicable and ensure the implementation of the conditions regarding recovery expense fund;
   (r) Information to enable the Debenture Trustee to carry out the necessary due diligence and to ensure the implementation of the conditions regarding debenture redemption reserve (if applicable) and recovery expense fund;
   (s) Details of the recovery expenses fund to be created by the Issuer in the manner as may be specified by the SEBI from time to time along with duly acknowledged letter / confirmation from stock exchange on the amount of such fund maintained and the mode of maintenance.
   (t) Periodical reports / information on quarterly/ half yearly / annual basis as required to be submitted to stock exchanges under the SEBI Debenture Regulations, Debt Listing Regulation, debt listing agreement or the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended from time to time);
   (u) Statement containing particulars of, dates of, and parties to all material contracts and agreements; and
   (v) Such other documents as may be reasonably required, from time to time, by the Debenture Trustee.

4. **Terms of carrying out due diligence**
   (a) The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify whether all permissions or consents (if any) as stipulated in the General Information Document and Key Information Document and as per the Relevant Laws, has been obtained. For the

purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents / advisors / consultants, shall have the power to examine the books of account of the Issuer and to have the Issuer's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts / management consultants appointed by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out-of-pocket expenses towards legal or inspection costs, travelling and other costs, shall be borne as per the fee letter.

(b) Without prejudice to the aforesaid, the Issuer shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Relevant Laws.

(c) The Issuer shall ensure all no objection certificates (if any) are procured and provided to the Debenture Trustee as required under Relevant Laws.

5. **Other terms and conditions**.

(a) The Debenture Trustee, *ipso facto* does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures.

(b) The Issuer shall submit an undertaking to the Stock Exchange that it shall amend its articles of association within a period of 6 months from the date of listing of the Debentures, to insert relevant provisions in the articles of association of the Issuer to appoint a nominee director in compliance with Regulation 15 of the SEBI (Debenture Trustee) Regulations 1993 and Regulation 23(6) of the Debt Listing Regulations read with Chapter XXIII of the SEBI Master Circular.

(c) The Issuer shall within the aforementioned 6 (six) months period amend its articles of association and report compliance to the Stock Exchange and the Debenture Trustee and shall forthwith submit a copy of the updated articles of association along with the relevant authorisations and other form filings to the Debenture Trustee.

6. The Issuer hereby agrees and undertakes that all stamp duty and other expenses pertaining to the issue of the Debentures and execution of the Transaction Documents including the instrument of Debentures shall be solely borne by the Issuer.

7. The Issuer shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment or supplement to or waiver in respect of this Agreement and against submission of the requisite supporting documents. Apart from the Debenture Trustee fees, the Issuer shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all expenses and out-of-pocket costs incurred by the Debenture Trustee as per the terms of the letter dated 24 May 2024 and fees and expenses of counsel appointed by the Debenture Trustee incurred in connection with the preparation and execution of the Transaction Documents or any related documentation requested by the Debenture Holders/Debenture Trustee. The Issuer shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement or any such other documents executed in connection to this transaction and/or any such amendment, supplement or waiver.

ANNEXURE V
BOARD RESOLUTION, COMMITTEE RESOLUTION AND SHAREHOLDERS RESOLUTION

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF ERIS LIFESCIENCES LIMITED ("COMPANY") AT THE BOARD MEETING HELD ON TUESDAY, MAY 21, 2024, AT 11 A.M. AT SHIVARTH AMBIT, PLOT NO. 142/2, RAMDAS ROAD, OFF SBR, NEAR SWATI BUNGALOWS, BODAKDEV, AHMEDABAD - 380054

MEETING NO.: LBM-04-2024

ISSUE OF NON-CONVERTIBLE REDEEMABLE DEBENTURES UP TO RS. 1250 CORES ON PRIVATE PLACEMENT BASIS

"**RESOLVED THAT** pursuant to the provision of Sections 42, 71, 179 (3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) and the relevant regulations/directions as may be prescribed by the Securities and Exchange Board of India and Reserve bank of India from time to time (including any amendments(s), modification(s) thereof) and pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Articles of Association of the company, the approval of the Board be and is hereby granted to borrow funds by way of issuance of listed, redeemable debentures, whether secured or unsecured, on private placement basis, in one or more tranches or series, subject to the total outstanding debentures not exceeding INR 1250 Crores at any time ("**NCDs**") i.e. within the borrowing limits pursuant to Section 180(1)(c) of the Companies Act, 2013 by the shareholders of the Company, to such entities (including but not limited to banks, qualified institutional buyers, financial institutions, foreign portfolio investors, companies, body corporates, companies, provident funds, superannuation funds, gratuity funds, insurance companies and such other persons as may be permissible under the applicable law) whose names are recorded by the Company prior to the invitation to subscribe, and for such purposes as permitted under applicable law ("**Transaction**"), and subject to the following terms:

S. No.	Particulars	Terms
a.	Type if Instrument	Non-convertible Redeemable Debentures
b.	Issue Size	Up to 1250 crores
c.	Face Value	INR 1,00,000/-
d.	Tenure	Not exceeding 3 years

RESOLVED FURTHER THAT the approval of the Board be and is hereby granted to create security, including but not limited to by way of a first ranking charge over specified movable and immovable property (if any), bank accounts or any other assets of the Company as may be decided, upon such terms and conditions as the Board (including the Executive Committee of the Board) may in its absolute discretion deem fit and proper."

"**RESOLVED FURTHER THAT** the consent of the Board be and is hereby granted to the Executive Committee, in relation to the Transaction to finalise the terms and conditions in relation to the issuance of NCDs, including but not limited deciding the rate of interest, disclosure of material contracts, all in cost, coupon rate, issue date, redemption, minimum application money, interest on application money, put and call options, security and allotment date and listing the debentures on the relevant stock exchanges, in such manner, as it may deem fit."

"**RESOLVED FURTHER THAT** the consent of the Board be and is hereby granted to the Executive Committee to do the following in relation to the Transaction:

a. to finalize, negotiate, approve, execute,
   i. the general information document and each key information document, and any amendments thereto, containing disclosures in accordance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, read with Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021(as amended from time to time) and the Companies Act, 2013 ("**Disclosure Documents**");
   ii. debenture trust deed, debenture trustee agreement, listing application, term sheet, sanction letters, letter of intent, private placement offer letter, security documents including deed of hypothecation, mortgage documents;
   iii. such other documents/deed/agreement/undertakings including an offer letter, any supplemental document/amendment agreement / power of attorneys/ deed/agreement thereto, as may be required in connection with the Transaction and the terms of the NCDs; and
   iv. such other documents as may be necessary/incidental to the above.

   (all the above documents are hereinafter collectively referred to as the "**Transaction Documents**").

b. the appointment of registrars, debenture trustees, security trustee, bankers credit rating agency, valuation agency, legal counsel etc., as required in relation to the Transaction and such other intermediaries as may be required to be appointed for the Transaction and terms and conditions of their appointment, succession and their agents;

c. to decide all the terms and conditions of the Transaction, and in each case to accept any amendments, modifications, variations, or alterations thereto;

d. file listing application and other documents with the stock exchanges, as may be required;

e. to open bank accounts as may be required;

f. determine the date of opening and closing of the issuance of the NCDs as they may deem fit;

g. to finalize the allottees and the date of allotment of the NCDs as they deem fit, pass allotment resolutions and allot the NCDs;

h. finalise, execute and issue on behalf of the Company, the Transaction Documents and such other documents/agreements/undertakings as may be required in terms of the Transaction Documents, relating to the Transaction including any supplemental/ amendment document that may be executed and to file the same with NSE/BSE for the purpose of listing and to make such changes therein as may be required;

i. deal with, modify, alter, amend, finalise, sign, deliver, approve, negotiate, re-negotiate, execute and/or undertake all other acts, deeds, things and matters and notices in respect of the Transaction Documents and such other certificates, documents/deed/agreement including any supplemental document /deed/agreement thereto, as may be required in connection with the Transaction and as may be required in terms of the Transaction Documents;

j. the payment of stamp duty, fees (including legal fees) and other charges in relation to the execution of Transaction Documents;

k. to sign, execute and file applications, requisite forms (in physical or electronic), intimations, undertakings and other necessary papers, as may be applicable, with the Registrar of Companies, Reserve Bank of India, NSE/BSE Limited, NSDL, CDSL, Securities and Exchange Board of India and other applicable regulatory/statutory authorities in connection with the Transaction;

l. place such security as may be required from time to time; and

m. to do all such acts, deeds and things, as may be required in connection and/or incidental to the Transaction, and as may be necessary or expedient for giving effect to the above resolutions.

"**RESOLVED FURTHER THAT** pursuant to Master Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) dated August 10, 2021 as amended from time to time read with SEBI circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/147 dated October 31, 2022 ("ISIN reissuance circular") issued under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Board or the Authorised Officers of the Company or such person/s or such committee (by whatever name called) be and are hereby authorized to approve reissuance of NCDs with/without modifications in terms

and/or structure in order to comply with ISIN reissuance circular provided such reissue is in line with the procedure as has been laid out in Regulation 59 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."

"**RESOLVED FURTHER THAT** any one person among the following executives of the Company ("**Authorized Signatories**"):

S. No.	Name of the Authorised Signatory	Designation
I.	Kaushal Kamlesh Shah	Whole Time Director
II.	Inderjeet Singh Negi	Whole Time Director
III.	Sachin Shah	Chief Financial Officer
IV.	Milind Talegaonkar	Company Secretary

be and are hereby severally and/or jointly authorized to execute all the necessary forms, Returns, other documents, undertakings, agreements, deeds, acknowledgments and to complete all other formalities to give effect to this resolution."

"**RESOLVED FURTHER THAT** a copy of the aforesaid resolution duly certified by any one of the directors or the Company Secretary or the Chief Financial Officer be furnished various regulatory and statutory authorities and/or individuals and entities as may be required for their record and necessary action."

\\CERTIFIED TO BE TRUE COPY//

For and on behalf of **ERIS LIFESCIENCES LIMITED**

ERIS LIFESCIENCES LTD.

Milind Talegaonkar
Company Secretary
ICSI Mem. No.: A26493

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS OF ERIS LIFESCIENCES LIMITED HELD ON WEDNESDAY, 22nd MAY 2024 AT 10:00 A.M. AT SHIVARTH AMBIT, PLOT NO. 142/2, RAMDAS ROAD, OFF SBR, NEAR SWATI BUNGALOWS, BODAKDEV, AHMEDABAD – 380054

Meeting No.: ECM-06-2024

CONSIDERATION AND APPROVAL OF TERMS OF THE LISTED, RATED, UNSECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES, BEING ISSUED ON PRIVATE PLACEMENT BASIS

Resolution No.: ECM-06-2024/005

"**RESOLVED THAT** pursuant to the consent of the board of directors of the Company accorded by way of passing resolution dated 21 May 2024 for issuance of listed, rated, unsecured, redeemable non-convertible debentures having face value of INR 1,00,000 for an amount of up to INR 1250 Crores, for a tenor not exceeding three years ("**NCDs**") to eligible investors, the Executive Committee hereby approves the terms and conditions of the NCDs, as per the terms and conditions set out under the Transaction Documents (*as defined hereinafter*) subject to the overall borrowing powers of the Company as determined by the shareholders of the Company by way of passing of the resolutions pursuant to section 180(1)(c) of the Companies Act, 2013 (the "**Transaction**")."

"RESOLVED FURTHER THAT the consent of the Executive Committee be and is hereby accorded to the Company to appoint Axis Trustee Services Limited as the debenture trustee for the Transaction ("**Debenture Trustee**") on such terms and conditions as agreed between the Debenture Trustee and Company in the debenture trustee agreement ("**Debenture Trustee Agreement**")."

"RESOLVED FURTHER THAT the consent of the Executive Committee be and is hereby accorded to the Company to appoint and/or deal with such other intermediaries as may be required in relation to the issue of NCDs including the registrar and transfer agent, the depository, the credit rating agencies, and for the Company to take such actions and file such documents as may be required in relation to listing of the NCDs on a recognised stock exchange in India including, BSE Limited."

"RESOLVED FURTHER THAT the consent of the Executive Committee be and is hereby accorded to the following agreements and documents that are proposed to be executed by the Company in connection with the Transaction and the transactions contemplated therein:

(i) general information document and key information document, and any amendments thereto, containing disclosures in accordance with the NCS Regulations read with Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021(as amended from time to time) and the Companies Act, 2013;

(ii) the debenture trust deed (to be executed between the Company and Debenture Trustee in relation to the NCDs);

(iii) the debenture trustee agreement (to be executed between the Company and Debenture Trustee in relation to the NCDs);

(iv) listing application, term sheet, sanction letters, letter of intent, private placement offer letter; and

(v) such other documents/deed/agreement/undertakings including an offer letter, any supplemental document/amendment agreement / power of attorneys/ deed/agreement thereto, as may be required in connection with the Transaction and the terms of the NCDs.

*(the above documents are hereinafter collectively referred to as the "**Transaction Documents**", drafts of which were placed before the Executive Committee for its approval and identification.)*

RESOLVED FURTHER THAT the authorised signatories of the Company as identified by the Board of Directors pursuant to its resolution dated 21 May 2024 be authorised to execute all the necessary forms, returns, other documents, undertakings, agreements, deeds, acknowledgements and do such other acts as in relation to the Transaction pursuant to the authority granted by the Board of Directors under the aforementioned resolution, and to make any required filings in relation to the Transaction.

"RESOLVED FURTHER THAT any and all actions taken by any Authorised Signatory in connection with any transaction or objectives approved in any or all of the foregoing resolutions, and all transactions related thereto, are hereby approved, ratified and confirmed in all respects and any and all actions hereafter to be taken by any Authorised Signatory in furtherance of the objectives of the foregoing resolutions are hereby authorised, approved and ratified in all respects.**"**

"RESOLVED FURTHER THAT a copy of this resolution duly certified as a true copy by any one of the director or company secretary of the Company be submitted to the concerned authority/entities and they are hereby requested to rely upon the authority of the same.**"**

\\CERTIFIED TRUE COPY//

For Eris Lifesciences Limited

ERIS LIFESCIENCES LTD.

Milind Talegaonkar
Company Secretary and Compliance Officer
ICSI Mem. No.: A26493

EXTRACT OF THE MINUTES OF THE EXTRA ORDINARY GENERAL MEETING (EGM-3-2017) OF THE MEMBERS OF ERIS LIFESCIENCES LIMITED HELD ON FRIDAY, 03RD FEBRUARY, 2017 FROM 11.00 A.M. TO 12.00 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT 21, NEW YORK TOWER - A, NR. MUKTIDHAM TEMPLE, THALTEJ CROSS ROAD, THALTEJ, AHMEDABAD - 380054

INCREASE IN BORROWING LIMITS

EGM-3-17/010

RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, read with the applicable rules made thereunder and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs.2,000 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board of Directors, Company Secretary & the Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.

\\ CERTIFIED TRUE COPY//

For Eris Lifesciences Limited

ERIS LIFESCIENCES LTD.

Milind Talegaonkar
Company Secretary
ICSI Membership Number: A26493

ANNEXURE VI
CONSENT OF THE DEBENTURE TRUSTEE

ATSL/CO/24-25/00037
24 May, 2024

ERIS LIFESCIENCES LIMITED
142/2, Shivarth Ambit, Ramdas Road, Off SBR, Near Swati Bungalows,
Ahmadabad, Gujarat - 380059
Ahmadabad
Gujarat, State Code: 24
Pincode: 380059
India
GSTIN: 24AABCE7067M1ZD

Kind Attn. - ERIS LIFESCIENCES LIMITED

Dear Sir/Madam,

Sub: Consent to act as Debenture Trustee for Listed Unsecured Non-Convertible debentures (NCDs) aggregating up to INR 1250 CR proposed to be issued by Eris Lifesciences Limited (Company).

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours truly,
For **Axis Trustee Services Limited**

Rahul Vaishya,
Deputy General Manager

ANNEXURE VII

APPLICATION FORM

Eris Lifesciences Limited
Registered Office: Shivarth Ambit, Plot No 142/2, Ramdas Road Off SBR Near Swati Bungalows, Bodakdev, Ahmedabad, Gujarat, India, 380054
Tel. No.: 07969661000 **Contact Person:** Mr. Milind Talegaonkar

APPLICATION FORM FOR PRIVATE PLACEMENT OF LISTED, RATED,UNSECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES ("Debentures")

ISSUE OPENS ON: June 6, 2024

CLOSING ON: June 6, 2024

Date of Application: [●]

DEBENTURE SERIES APPLICATION FORMS SERIAL NO. _____

Issue of 1,25,000 listed, rated, unsecured, redeemable and non- convertible debentures, in two separately transferable and redeemable principal parts ("**STRPP**") being [(I) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1, 00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Indian Rupees Six Hundred and Twenty Five Crores Only) (**STRPP I**), (II) 62,500 unsecured, redeemable, listed, non-convertible debentures of face value of INR 1,00,000 (Rupees One Lakh Only) each aggregating up to INR 6,25,00,00,000 (Rupees Six Hundred and Twenty Five Crores Only) ("**STRPP II**")] ("**Debentures**") of a face value of Rs. 1,00,000/- (Indian Rupees One Lakh Only) each aggregating upto INR 1250,00,00,000 (Indian Rupees One Thousand Two Hundred and Fifty Crore Only)

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and required disclosures in the key information document dated May 29, 2024, and the general information document dated May 29, 2024, issued by Eris Lifesciences Limited (the "Company"). We have also done all the required due diligence (legal or otherwise) without relying upon the information contained in the private placement offer cum application letter. Now, therefore, we hereby agree to accept the Debentures mentioned hereunder or such smaller number as may be allocated to us, subject to the terms of the said private placement offer cum application letter, this application form and the documents. We undertake that we will sign all such other documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us.

We authorise you to place our name(s) on the Register of Debenture Holders of the Company that may be so allocated and to register our address(es) as given below. We note that the Company is entitled in their absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

We have attached a filled in Part B of the Subscription Application Form and confirm that all the information provided therein is accurate, true and complete. The Bank Account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

Yours faithfully,
For (Name of the Applicant)

(Name and Signature of Authorised
Signatory)

The details of the application are as follows:
DEBENTURES APPLIED FOR _____ Nominal value of INR 100,000 per Debenture

FOR BANK USE ONLY

Paid-up Amount (INR) (in figures)				Date of clearance of cheque						
Paid-up Amount (INR) (In words)				PARTICULARS OF DP ID						
RTGS/Cheque/Fund Transfer/ Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS/Cheque/ Demand Draft/ fund transfer Date		DP Name DP ID No.						
				Client ID No.						
Tax status of the Applicant (please tick one) 1. Non Exempt 2. Exempt under Self-declaration Under Statute Certificate from I.T. Authority										

PAYMENT PREFERENCE

Cheque Payable	Draft	RTGS
_____		

APPLICANT'S NAME IN FULL:

Tax payer's PAN or GIR No. if allotted		IT Circle/ Ward/ District	

FATHER'S NAME IN FULL:

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin							Tel							Fax					

BANK ACCOUNT DETAILS:

CONTACT PERSON

NAME		DESIGNATION	
TEL.NO.		FAX NO.	
Email			

TO BE FILLED IN BY THE APPLICANT

Name of the Authorized Signatory(ies)	Designation	Signature

……..…… TEAR ….……

Registered office:

APPLICATION FORM FOR PRIVATE PLACEMENT OF NON CONVERTIBLE DEBENTURES

(To be filled by the Applicant) ACKNOWLEDGEMENT SLIP

Receivedfrom _____ an applicationfor _____ Debentures under Series _____Address_____ cheque/draft No.__ dated _____ Drawn on _____ for Rs. (in figures)_____ Pin Code _____ for Rs. (in words) _____

1. Application must be completed in full BLOCK LETTERS IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Payments must be made by through the Clearing Corporation of India in the manner set out in the SEBI Guidelines.

   Payment shall be made from the bank account of the person subscribing. In case of joint holders, monies payable shall be paid from the bank account of the person whose name appears first in the application. No cash will be accepted.

3. The duly completed Application Forms should be scanned and emailed to the Company along with all the relevant documents (as specified below) on the Issue Closing Date and forthwith followed by the original Application Form to the correspondence office of the Company but no later than 10 (ten) days from the Issue Closing Date. A copy of PAN Card must accompany the application.

4. In the event of the Debentures offered being over-subscribed, the same will be allotted on a first come first serve basis by the Company.

5. The Debentures shall be issued in demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under Power of Attorney or by limited companies, following documents (attested by Company Secretary /Directors/Authorised Signatories) must be lodged along with the application or sent directly to the Company at its Registered Office to the attention of Mr. Milind Talegaonkar along with a copy of the Application Form.

   (a) Certificate of Incorporation and Memorandum & Articles of Association;

   (b) Resolution of the Board of Directors and identification of those who have authority to operate; or power of attorney granted to its managers, officers, authorized persons or employees to transact business on its;

   (c) Certificate of registration;

   (d) PAN (otherwise exemption certificate by IT authorities);

   (e) DP ID, Client ID, DP Name;

   (f) Bank Account Details; and

(g) Tax Residency Certificate.

7. The attention of applicants is drawn to Sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

Any person who:

(a) makes or abets making an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, shares therein, to him, or any other person in a fictitious name,

shall be liable for action under Section 447 of the Companies Act, 2013.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

The participants should complete the funds pay-in to the designated bank account of BSE Clearing Corporation by June 7, 2024 on Pay In Date. The participants must ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND-EBP Platform while placing the bids. The details of the Designated Bank Accounts will be provided by the BSE BOND-EBP Platform once bidding is completed.

PART B

(To be filed by the Applicant)

SERIAL NO :…….……

(i) Name

(ii) Father's name

(iii) Complete Address including Flat/House Number, Street, Locality, Pin Code

(iv) Phone number, if any

(v) Email ID, if any

(vi) PAN Number

(vii) Bank Account Details:

(viii) Tick whichever is applicable:-

(e) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.-

(f) The applicant is required Government approval under the Foreign Exchange Management (Non- debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. -

Signature
Initial of the Officer of the Company designated

ANNEXURE VIII – LIST OF DOCUMENTS EXECUTED

(a) Appointment of Registrar for debt issuance dated May 23, 2024;
(b) In-principal approval dated 29 May 2024 received from BSE;
(c) Letter dated May 24, 2024, from the Registrar and Transfer Agent;
(d) Letter dated May 24, 2024, appointing Axis Trustee Services Limited, as trustee for the benefit of the Debenture Holders;
(e) Listing Agreement dated June 27, 2017, between the Company and BSE;
(f) Debenture Trustee Agreement dated May 24, 2024, entered into between the Company and the Debenture Trustee.