



EY Entrepreneur of the year-2013



FROST & SULLIVAN Best Practices-2013



Business today/YES bank Excellence Awards-2013



Date: 02 September 2024

To BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	To National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai-400051
Security Code: 540596	Symbol: ERIS

SUBJECT: SUBMISSION PURSUANT TO REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 - ANNUAL REPORT OF THE COMPANY FOR THE FY 2023-24

Dear Sirs,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the company for the Financial Year 2023-24 along with the Notice of the 18th Annual General Meeting of the Company scheduled to be held on Wednesday, September 25, 2024, at 11:00 A.M. (IST) through Video Conferencing (VC).

The said Annual Report and the Notice of AGM are also being made available on the Company's website i.e. <https://eris.co.in/>

Kindly take the above information on your records.

Yours faithfully,

Eris Lifesciences Limited

Milind Talegaonkar
Company Secretary and Compliance Officer
ICSI Membership No.: A26493

Registered & Corporate Office:

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Eris

POWER OF EMPATHY TRUTH OF SCIENCE



18th
ANNUAL
REPORT 2023-2024





FORWARD-LOOKING

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.



STATEMENTS



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Op. Revenue (INR)

20,091 mn

19% yoy growth

EBITDA (INR)

6,748 mn

26% yoy growth

PAT (INR)

3,971 mn

6% yoy growth

EPS (INR)

29

6% yoy growth

Cash EPS (INR)

38

14% yoy growth

Adjusted* RoCE

19%

RoE**

20%

*Based on full-year proforma EBIT of FY24 acquisitions; excludes the impact of M&A related Amortisation

**Excludes treasury investments, cash & cash equivalents



BUSINESS TRANSFORMATION

We have undertaken a significant transformation of our business and therapy mix over the last two years.

Our Top-3 flagship therapies of Oral Anti-Diabetes, CVD and VMN which accounted for 80% of our Domestic Branded Formulations revenue two years back, now account for 54% of our business mix. These therapies have collectively delivered a 11% CAGR over this time period.

In FY23, we forayed into the Dermatology segment starting with the acquisition of Oaknet Healthcare as an entity, followed by the acquisition of select Dermatology brands from Glenmark & Dr. Reddy's later in the year. These acquisitions have been completely integrated and Dermatology is now our fourth largest therapy with a 11% share of revenue.

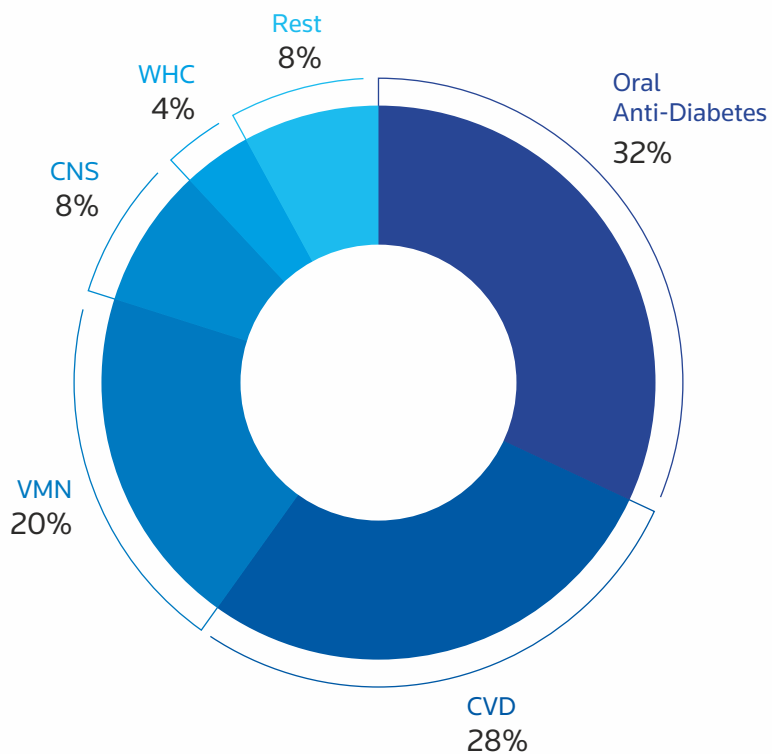
In FY24, we forayed into the large and strategically important segment of Sterile Injectables through two

acquisitions – Biocon's India Branded Formulations business and Swiss Parenterals, an EU-GMP accredited injectables manufacturing business. These two assets provide the foundation for our next Rs. 1,000 crore vertical in the Indian injectables market.

We have a well-diversified business mix today with our Emerging therapies comprising of Derma, Insulins, Women's Health, CNS, Oncology, Critical Care and Nephrology accounting for ~40% of our Domestic Branded Formulations revenue. We have added "Super specialty" categories like Critical Care, Oncology, and Nephrology which are witnessing a volume growth of over 10%. This transformation has set the base for secular organic growth going forward.

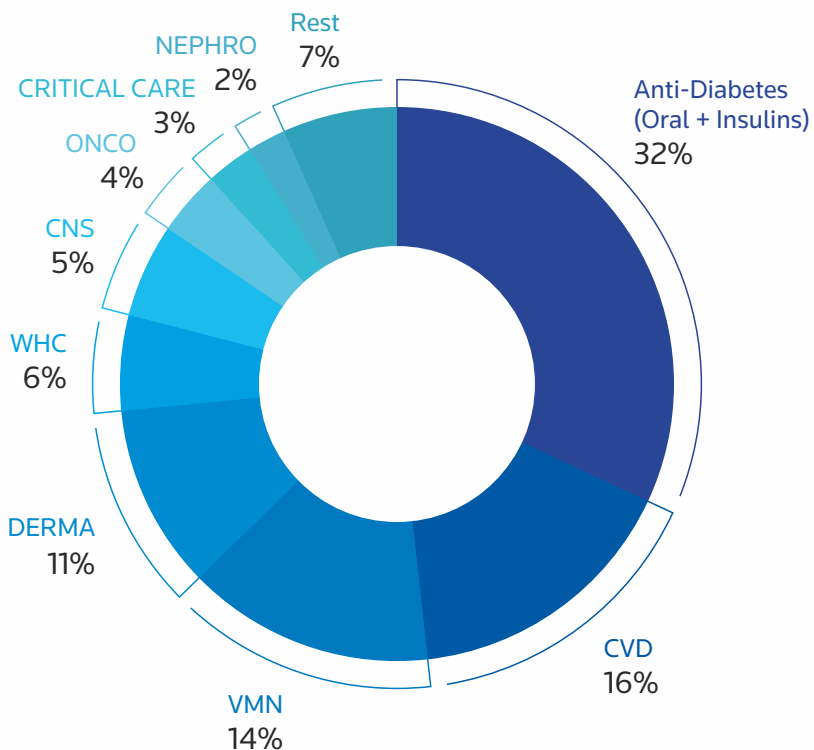
Therapy-wise composition of revenue MAT Mar'22

100% = INR 1,662 crore



Therapy-wise composition of revenue MAT Apr'24

100% = INR 3,010 crore



Source: AWACS



R&D & INNOVATION

SEIZING THE OPPORTUNITY OF MANY FIRSTS

Eris' Research and Development (R&D) programme encapsulates our commitment to innovation and improvement of patient compliance and medical outcomes. We are actively investing in a pipeline of several "first in market" combination dosage forms in a range of therapeutic categories. We have an active pipeline of 22 candidates in this regard. Housed at a world-class Integrated R&D facility in our newly commissioned Ahmedabad manufacturing facility, our R&D programme combines the best of Injectable and Oral Solid dosage forms under one roof. We expect this to be an important pillar of our growth strategy going forward.

In FY24, we launched two first-in-market fixed dose combinations in Oral Anti-Diabetes. We have strong visibility of several additional launches in the current financial year.

First-in-market
fixed dose combinations in
Oral Anti-Diabetes

CyblexD
Gliclazide + Dapagliflozin

CyblexS
Gliclazide + Sitagliptin

Launches planned in FY25 and FY26

Candidates / Therapy	Development Status	Commercialisation
2 FDCs in Cardiovascular Disease [#]	Approved by DCGI	FY25
4 FDCs in Diabetes Disease [§]	Clinical Trials (BE)	FY25
1 FDC in Diabetes Disease [§]	Clinical Trials	FY25
1 FDC in CKD related complication	Clinical Trials	FY25
1 New Drug* in Oncology	Clinical Trials	FY25
2 FDCs in Gastro-intestinal	Clinical Trials	FY25
1 FDC in Gastro-intestinal	Development	FY26
1 FDC in Cardiovascular (Combi-Kit) [#]	BE & CT Waiver	FY25
1 New Drug* in Cardiovascular	Clinical Trials	FY26
4 New Drugs* in Gastro-intestinal 2 New Drugs* in Neurology 1 New Drug* in Ortho 1 New Drug* in Pain	Development	FY25

Launched in
FY24

Gliclazide + Dapagliflozin

Gliclazide + Sitagliptin

Active pipeline of
22 products

FDCs #12

New Drugs* #10

*These drugs are commercially approved in the US; we are developing these for the Indian market

#2 FDCs (Dapa+Biso) in Cardiovascular Disease are in the final approval stage, Combi-Kit Dapa+Sacu/Val+Biso is in the final approval stage

§3 FDCs in (Dapa+Sita+Met, Dapa+Vilda+Met, Dapa+Pio) Diabetes Disease are in the final approval Stage

STRATEGIC INVESTMENTS

ALLOCATING CAPITAL TO MAXIMISE RETURNS

We have deployed over INR 3,700+ crore in strategic expansions since May 2022. In FY23, we deployed INR 1,265 crore across three acquisitions in the Dermatology segment. And during FY 24 i.e. during Nov '23 to Apr '24, we deployed over INR 2,500 crore to secure an end-to-end vertically integrated presence in the Sterile Injectables space. These were carefully curated deals to maximise strategic fit. All of these were fundamentally good businesses that were sub-optimally run thereby providing significant room for value creation and hence high return on investment for our shareholders. We approach these businesses with an "owner manager" mindset; we are hands on when it comes to business integration and operational turnaround. The outcome of this strategy is visible in our Dermatology portfolio which has significantly scaled up in profitability, starting with 10% in FY22 to 35% in FY24. We expect that our recently acquired sterile injectable business will move through a similar value creation trajectory.

Mar 2024*	Biocon's India Branded Business	Entered India's Injectables market – Insulins, Critical Care, Oncology
Feb 2024	Swiss Parenterals	Entered injectables manufacturing with two EU-GMP accredited facilities and the widest range of SVPs
Nov 2023	Biocon's Businesses	Strengthened Presence in Psoriasis and Entered Nephrology Therapy
Mar 2023	Dr. Reddy's Brand Portfolio	Augmented Cosmetic Dermatology Franchise
Jan 2023	Glenmark Brand Portfolio	Strengthened Presence in Medical Dermatology
May 2022	Oaknet Healthcare	Entered the Dermatology Therapy

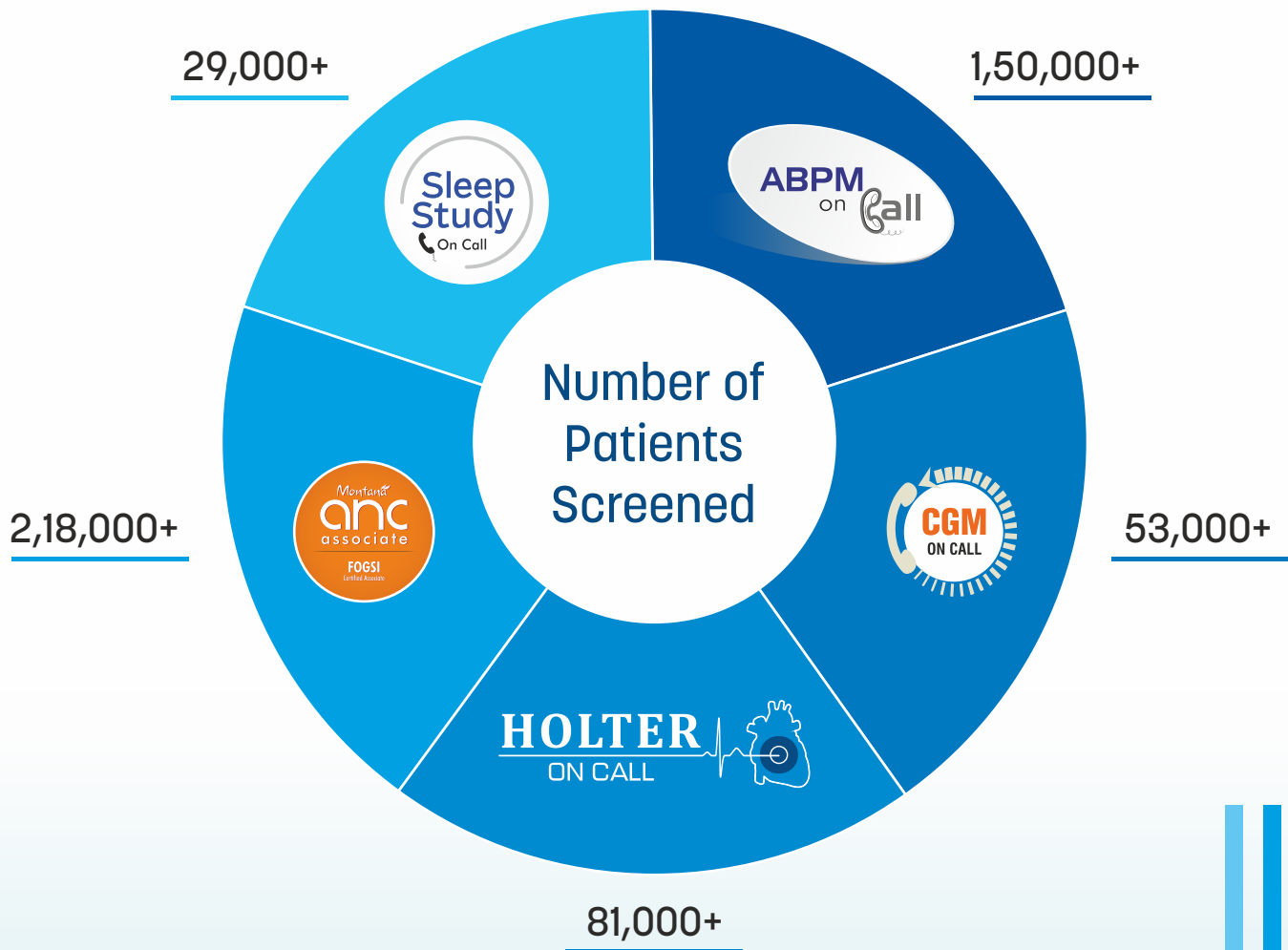
*Financial closure on 2nd April 2024





PATIENT CARE INITIATIVES

BETTER DETECTION LEADS TO BETTER OUTCOMES



The importance of effective patient care has never been clearer, particularly in enhancing clinical outcomes. Eris's Patient Care Initiatives (PCI) platform works with the sole objective of bringing world-class cutting edge technology for screening, monitoring, and diagnosis. Educating and raising awareness among patients plays a crucial role in mitigating the national burden of disease management.

In acknowledgment of our critical role within the healthcare delivery ecosystem, we have committed ourselves to empowering patients to manage their health proactively. These initiatives driven by a robust scientific data approach play a pivotal role in strengthening Eris's relationship with healthcare professionals.

Our patient care initiatives reflect our dedication to making a meaningful impact on the lives of individuals, reinforcing our position as a trusted partner in the healthcare space.





The Ambulatory Blood Pressure Monitoring (ABPM) on Call is our flagship initiative that aims at creating awareness around 24-hour blood pressure management. The device allows for a continuous measurement of blood pressure for 24 hours providing a more comprehensive assessment of an individual's blood pressure profile compared to traditional clinic-based measurements. The device is non-invasive and portable, allowing an individual to carry out the daily activities without disruption while facilitating a more wholistic clinical assessment as it reflects an individual's blood pressure measured over an entire day in the regular environment. Till now over 150,000 patients have been screened through this initiative.



This initiative aims at creating awareness regarding the importance of AECG - Ambulatory Electrocardiogram monitoring allowing for the continuous recording of the heart's activity over an extended period, typically 24 to 48 hours or longer. This prolonged monitoring increases the likelihood of capturing intermittent arrhythmia that may not be detected during a standard electrocardiogram performed in a clinical setting contributing to improved patient outcomes and quality of life. Till now over 80,000 patients have been screened.



Continuous Glucose Monitoring (CGM) on Call is a comprehensive technique for monitoring glucose levels in individuals with diabetes providing near real-time data on glucose trends and records it. This enables clinicians to make adjustments to patient's drug doses, their administration times, diet, and physical activity, leading to improved glycemic control thereby making it an indispensable tool for individuals with diabetes and healthcare professionals alike. Till now over 50,000 patients have been screened.



Medical community is gradually recognising the important relationship between Cardiac diseases and sleep disorders. Eris assists clinicians in the process of diagnosing sleep apnoea, interpreting results, planning treatments, and arranging the needed patient counselling. Till date, the initiative has successfully screened over 29,000 patients for sleep-related issues, ultimately contributing to improved understanding and management of cardiac conditions.



Specialists now recognize that certain adult diseases like Hypertension and Diabetes originate during fetal development, owing to a phenomenon known as Fetal Origin of Adult Diseases (FOAD). Montana ANC Associate, a FOGSI-Eris Patient Care Initiative, endeavours to address existing diagnostic gaps such as Anaemia, Pregnancy-Induced Hypertension (PIH), and Gestational Diabetes Mellitus (GDM). By providing point-of-care diagnostic support, this initiative aims to enhance Ante-Natal Care and prevent the onset of FOAD. Till now, the Montana ANC Associate initiative has successfully screened over 2,00,000 patients.

CMD's LETTER

to Shareholders



Amit Bakshi

Chairman and Managing Director

Dear Shareholders,

As the Company turns seventeen, I am delighted to inform you that our branded formulations business now ranks among the Top-20 in India, with a revenue of INR 3,000+ crore as per AWACS, and a gain of 9 ranks since our IPO. We have evolved from being a “Specialty” business to a “Specialty plus Super-Specialty” business thereby creating additional headroom for growth.

Our base business continues to beat the IPM, with Anti Diabetes contributing to a large part of this growth. We have identified two additional levers that can further accelerate our growth and expand our potential in new and existing areas. The first of these is the opportunity to introduce new OSD products from our R&D pipeline, along with co-development prospects. The ongoing strengthening of our manufacturing and R&D capabilities in hormones and cosmeceuticals will provide additional momentum to this. We are strategically dedicating resources and focus to innovation and premiumization in packaging and novel drug delivery systems, which will further solidify our position in specialty segments. This robust new product pipeline will be the driving force behind our growth.

Various initiatives towards building a bio-tech capability will also be a pivotal element of the next stage of our growth journey. The first will be around building our “large molecules” franchise, which presently consists of Insulins and Oncology. We are looking to enter other high-value segments like Hormones, GLP1s and a range of MABs. The second element will be around building end-to-end capabilities in the Biotech space, starting with product development and manufacturing and all the way through to marketing. We have initiated several investments in this regard. Our acquisition of the Biocon loan license facility marks the creation of a manufacturing hub for our Biotech business.

Our acquisition of a majority stake in Swiss Parenterals gives us access to EU-GMP accredited manufacturing and product development capabilities across a wide range of injectable dosage forms. The ~1,000+ active dossiers in the injectables portfolio of Swiss will power our expansion into the Indian Injectable market. The Swiss business has also given us a segue into several international markets including Brazil, Mexico, Australia, Europe, MENA, the CIS and Asia-Pacific. Along with expanding Swiss’s niche product basket in these markets, we also plan to launch oral solid dose formulations in FY26 by leveraging Swiss’s distribution presence and equity.

Special mention must be made to our manufacturing prowess that has continually increased over the last few years and will have the competence to cater to a significantly expanded covered market. Our greenfield manufacturing facility in Ahmedabad will soon have capability to make cosmeceuticals and hormones (oral, injectable as well as topical). The Chemman Labs facility acquisition adds capability for vials and will soon be able to manufacture cartridges and MAB vials. The 2 manufacturing units of Swiss Parenterals add sterile injectables capabilities to the organisation primarily for Indian market. Besides expanding our covered market in the IPM, these facilities will also open exciting growth levers in terms of geographical expansion. To this effect, the Ahmedabad facility, which is already WHO GMP approved, will have various key inspections in FY 25 including Brazilian Anvisa and European GMP. Similar such inspections are also in the anvil for both Swiss and Chemman Labs facilities.

The regulatory environment in India is becoming more robust in terms of importance given to quality standards. We believe the future belongs to organisations that demonstrate a strong commitment towards strengthening compliance and at the same time investing in innovation. Our investment in improving manufacturing and RnD capabilities is in alignment with this view. We have expanded our R&D pipeline to over 20 candidates, which includes two categories of products – (i) fixed dose combinations which are first in the Indian market, and (ii) drugs which are commercially approved in the U.S., which will be launched for the first time in the Indian market. 18 of these are approved and we expect to commercialise them over the course of the next financial year. The rest are in late stages of the regulatory and approval cycle.

To sum it up, your company is today much more broad based in terms of enhanced capabilities in manufacturing, RnD and marketing with an enhanced focus on super-specialty segments as well as an extended geographical presence. With an impressive set of growth engines in our portfolio, I am confident that this journey will be rewarding to our employees, business associates and shareholders. I thank you for your continued support.

With Warm Regards,

Amit Bakshi

Chairman and Managing Director

FROM THE COO'S DESK



Krishnakumar V

Executive Director & Chief Operating Officer

Greetings. FY24 has been an exciting and transformative year for Eris. Building on the success of the strategic investments made in FY23 in Dermatology, we entered the Sterile Injectables and Nephrology businesses in FY24 with an investment of over INR 2,400 crore – our largest investment yet in a single financial year. Including the INR 1,265 crore invested in FY23, this brings up our total inorganic investment in the last two years to ~ INR 3,700 crore. These carefully curated investments have resulted in a significant diversification of our therapeutic profile with the addition of several new growth engines.

Our strategy of acquiring fundamentally good but sub-optimally run businesses ensures a quick value creation cycle post deal. This has been conclusively demonstrated with our FY23 Dermatology acquisitions. Our power brands including Onabet, Halovate, Demelan, Psorid and Hydroheal have scaled up significantly post their acquisition. In addition, the operating margin of the Derma segment has expanded from 10% in FY22 and 27% in FY23 to over 35% in FY24. Through these metrics, we have demonstrated robust proof of our inorganic growth thesis.

In domestic branded formulations, our flagship therapies of Oral Anti-diabetes, Cardiovascular care and VMN now account for 54% of our revenue (down from 80% till two years ago) and our Emerging Therapies of Dermatology, Insulins, CNS, Women's Health, Critical Care, Oncology and Nephrology account for 40% of our portfolio. Many of these are super-specialties experiencing volume growths in excess of 9-10% p.a. Our FY23 and FY24 deals have expanded our covered market by INR 27,000+ crore and created significant headroom for secular organic growth in the years to come.

We delivered a consolidated operating revenue of INR 2,009 crore in FY24 with an adjusted operating margin of 36%. Our greenfield Insulin business now has a revenue run-rate of INR 5 crore per month and with breakeven EBIDTA. With an attractive 10-year supply agreement in place with Biocon for biologic bulk actives, and significant insourcing of Dermatology and Injectable manufacturing operations underway, we look forward to margin accretive growth in the years ahead. Our business will continue to be cash accretive with an operating cash conversion of 70-75% of EBIDTA.

The acquisitions of Swiss Parenterals and Biocon's Indian branded formulations businesses have added new dimensions to our business mix. The Swiss acquisition brings in EU-GMP accredited injectable manufacturing into the Eris fold along with a large product range which we can commercialise in the Indian branded market. It also brings in an international business driven by export

of injectable formulations to 70+ world markets; we propose to leverage this channel to start marketing oral solid dose formulations from our AMD facility starting FY26. The Biocon acquisition gives us leadership in Insulins with a market share of over 10%, along with a segue into super-specialty segments like Nephrology, Oncology and Critical Care.

Our emphasis on R&D and Manufacturing operations has gathered significant momentum in FY24. Our new facility at Ahmedabad started commercial operations in March 2023 with the entire organisation and infrastructure in place on Day One. FY24 witnessed a gradual ramp-up of manufacturing activity with an average capacity utilisation of 20% through the year. We initiated Dermatology formulations manufacturing in Jan 2024. The planned acquisition of an approved loan licensee facility of Biocon at Bhopal marks the stepping stone for us to create a "Biotech Hub" with fill-finish capabilities for a wide range of biosimilars. We have also announced a capex plan of INR 200 crore over the next two years to build fill-finish capability for Insulin Cartridges, Hormones, Cosmetics and Monoclonal Antibodies. This investment will enable us to insource a big portion of the Biocon and Derma acquired portfolios. We will continue to expand manufacturing activity at our Ahmedabad and Bhopal facilities, with the accrual of significant margin and fiscal benefits in the years to come.

We continue to focus on building our own R&D programme. By the end of FY24, we have expanded our R&D pipeline to over 20 candidates, which includes two categories of products – (i) fixed dose combinations where we would be first in the Indian market, and (ii) drugs which are commercially approved in the U.S. and would be launched for the first time in the Indian market. We expect to commercialise this pipeline over the course of FY25. Innovations in our base business in the form of FDCs, NDDS and packaging innovations would continue to be a core part of our strategy going forward.

In FY25 we will focus on successfully integrating the newly acquired businesses, commercialising our R&D pipeline, building our "large molecules" capabilities and accelerating the in-sourcing of third-party manufactured products with the dual benefits of higher margins and fiscal benefits. We expect to start channelling our internal accruals towards debt pre-payment thereby rebuilding balance sheet strength. I look forward to the continued guidance and support of the Board and my colleagues as we enter the next era of our growth journey.

With Warm Regards,

Krishnakumar V
Executive Director & Chief Operating Officer

FROM THE CFO'S DESK



Sachin Shah
Chief Financial Officer

Greetings. FY24 marked a significant milestone in our journey with Eris crossing a consolidated revenue of INR 2,009 crore, representing a yoy growth of 19%. The consolidated EBITDA came in at INR 675 crores with a yoy growth of 26% and a margin of 34%. Adjusting for one-off items, consolidated EBIDTA stood at INR 713 crore with a yoy growth of 33% and a margin of 36%. Consolidated PAT stood at INR 397 crores with a 6% yoy growth and Adjusted PAT stood at INR 432 crore with a 16% yoy growth. Reported EPS growth stood at 6% and Cash EPS growth at 14%.

Our Domestic Branded Formulations (DBF) revenue stood at INR 1,902 crore with a yoy growth of 19%. The Dermatology businesses (Oaknet, Glenmark brands and Reddy's brands) acquired in FY23 have been successfully integrated, resulting in a significant expansion in operating margins from 10% in FY22 to 27% in FY23 to 35% in FY24.

Our greenfield Insulin business has scaled up to INR 46 crore of revenue in FY24. The EBIDTA burn was reduced from INR 20 crore in FY23 to INR 8 crore in FY24. In line with our expectation, the business has neared breakeven with an EBITDA burn of INR 1.2 crore in Q4 FY24.

The consolidated gross margin stood at 81% in FY24 representing a 31% growth yoy and a margin expansion of ~200 bps. With a gradual uptick in the scale of insourcing manufacturing operations (of the product portfolios acquired in FY23 and FY24), we expect further upside in gross margins going forward.

Depreciation and Amortization expenses for FY24 stood at Rs. 183 crores after accounting for increased amortisation of deal related expenditure. Finance cost during FY24 was Rs. 85 crore on account of borrowing undertaken for acquisitions made in Q4 of FY23 as well as in FY24.

We made 3 strategic acquisitions in FY24 starting with the acquisition of Biocon's Dermatology and Nephrology businesses for INR 366 crore in Nov '23, followed by the acquisition of a 51% equity stake in Swiss Parenterals for INR 638 crore in Feb '23, and lastly the acquisition of Biocon's India Branded Formulations business for INR 1,242 crore in March '23. The Biocon deal achieved financial closure in April

2024. Subsequently the Eris equity stake in Swiss Parenterals was increased to 70% with an incremental investment of INR 238 crore.

Our consolidated Net Debt after the completion of these acquisitions stands at ~INR 3,000 crore. We have raised acquisition financing at competitive rates, which we take as an endorsement of our business fundamentals. At an OCF conversion ratio of 70-75%, our business has generated a cumulative operating cashflow of ~INR 2,500 since our public listing, and we expect to sustain the cash conversion ratio going forward as well. We are happy to share that the recent round of debt refinancing (INR 1,250 cr in June 2024) was successfully subscribed to by marquee investors at an attractive coupon of 8.73% p.a. We are comfortably placed to service the interest obligations and undertake a pre-payment of INR 1,000+ crore over FY25 and FY26 through surplus internal cash accruals. We expect to reduce the Net Debt-EBITDA ratio to ~1.5x in the next 2 years.

Adjusted Return on Capital Employed ("ROCE") for FY24 was 19%, based on proforma EBIT (assuming full year EBIT for businesses acquired in the year) and excluding the impact of M&A related amortisation. As these businesses scale up in FY25 with margin expansion, we expect the ROCE to expand from hereon. Return on Equity for FY24 stood at 20%.

Our consolidated Debtor days at the end of FY24 stood at 77 days, compared to 63 days at the end of FY23. Consolidated Inventory days at the end of FY24 were 34 days compared to 28 days at the end of FY23. These increases are attributable to acquisitions made during the year.

I look forward to the next leg of our growth journey that promises to be rewarding for all our stakeholders.

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 and a leading player in the Domestic Branded Formulations market. It is the youngest among the Top-20 companies in the Indian Pharmaceutical Market with a strong presence in major therapies like Oral Anti-Diabetes, Insulins, Cardiovascular, Vitamins/ Minerals and Dermatology

Eris embarked on a remarkable journey in the Indian pharmaceutical industry 17 years ago, driven by a vision to make a meaningful impact in the management of chronic diseases and build a business model pivoted around specialist and super specialist doctors. Over the years, we have evolved into a formidable entity with leadership positions across key therapies and high prescription ranks across doctor specialties. We continue to focus on our engagement programmes aimed at facilitating the generation of actionable scientific evidence to enable clinicians to improve clinical outcomes as well as augmenting our Patient Care Initiatives by bringing cutting edge diagnostic facilities and subsequent treatment options. As we progress towards our third decade of existence, we are guided by our founding principles and poised to continue our legacy of excellence.

FY24 marked a significant year as we put in place a platform to enter the injectables segment in India, an INR 35,000+ crore p.a. market opportunity. To this effect, in February 2024 we acquired a controlling equity in Swiss Parenterals, a dossier driven sterile injectable business with a product range of 190+ unique molecules and a pipeline of 40+ new molecules. In March 2024* we announced the acquisition of

Biocon's India Branded Formulation business, thereby completing the second leg of our India Injectables strategy. The acquired business will add significant momentum to our organically built Insulin franchise with the addition of two Insulin power brands – Basalog and Insugen. The Critical Care division will serve as a great platform for us to jumpstart our India branded Injectables play through already established brands of Biocon as well as addition of new products from Swiss Parenterals pipeline of new and existing molecules. The acquisition also gave us an entry into the large and fast-growing segment of Oncology with a portfolio of monoclonal antibodies.

We have a focused portfolio of brands with our Top-25 mother brands accounting for ~ 70% of our revenue. Eighteen out of Top-25 mother brands are ranked among Top-5 in their respective segments. We have 6 mother brands with revenues of Rs. 100+ crore and 11 mother brands with revenues of Rs. 50 – 100 crore.

We operate two WHO-GMP approved manufacturing facilities, each playing a pivotal role in making us a vertically integrated pharmaceutical player. Our recently commissioned manufacturing facility at Gujarat completed one full year of operations and has started delivering fiscal benefits from FY24. We recently commissioned a new Dermatology block and started manufacturing of various topical formulations. Our pan India distribution network with over 4,000 stockists ensures timely and accessible delivery of products across the country. Over 6,500 employees work in our offices, manufacturing facilities and on the field across the country.

We clocked a consolidated operating revenue of INR 2,009 crore in FY 24, registering a growth of 19% with an EBITDA of INR 675 crore and PAT of INR 397 crore. We continue to maintain industry leading margins with average Gross margin of 82% and EBITDA margin of 35% over the last 8 years.

We look forward to consolidate and effectively execute on our strategic priorities in the coming years on the strength of the fundamental pillars of our business and be able to create significant value for all our stakeholders.

*The deal financial closure was on 2 April 2024.



FACILITATING EVIDENCE-BASED 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.



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.



Participants screened: 100,107



Published in the Journal of Clinical Hypertension

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.

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.



BP is above the diagnostic threshold for hypertension in one arm only for 6% of participants.



Participants screened: 134,678



Published in the Journal of Clinical Hypertension

Study emphasizes the importance of undertaking bilateral BP measurement in routine clinical practice.

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.



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).



Participants screened: 27,472



Published in the Journal of Human Hypertension

Using ABPM in routine hypertension management can lead to a reduction in burden and associated costs for Indian healthcare.

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.



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



Participants screened: 27,472 (Age: 51 ± 14 years)



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.



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.



Participants screened: 14,977



Published in the Journal of Clinical Hypertension

Comparative Analysis of Ambulatory Blood Pressure Characteristics in Acute Stroke and Non-stroke Indian Patients



Study aims at identifying 24-H Blood Pressure (BP) characteristics after acute stroke in India Hospitalized patients by undergoing Ambulatory Blood Pressure Measurement (ABPM).



Several ABPM characteristics were strongly associated with stroke in Indian hospitalised patients. Minimum nighttime and average morning SBP may be considered as important and practical parameters for its relationship with stroke.



Participants screened: 769



Published in the Blood Pressure Monitoring Journal





TEN YEAR FINANCIAL HIGHLIGHTS

CONSOLIDATED	Ind AS								Ind GAAP	
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Operating Results										
Operating Revenue	20,091	16,851	13,470	12,119	10,741	9,822	8,556	7,495	5,970	5,456
Operating EBIDTA	6,748	5,367	4,850	4,306	3,684	3,449	3,220	2,691	1,715	1,215
Operating EBIDTA Margin	34%	32%	36%	36%	34%	35%	38%	36%	29%	22%
Net Profit	3,971	3,742	4,058	3,551	2,965	2,911	2,950	2,466	1,349	893
Net Profit Margin	20%	22%	30%	29%	28%	30%	34%	33%	23%	16%
Cash Flow Generation										
Operating Cash Flow (OCF)	4,860	2,917	3,783	3,754	2,712	2,230	2,346	2,002	1,315	901
OCF as a % of EBITDA	72%	54%	78%	87%	74%	65%	73%	74%	77%	74%
Assets Employed										
Tangible Assets	5,046	3,560	1,679	779	873	553	526	557	707	675
Intangible Assets	38,235	22,124	7,531	7,776	7,919	7,072	7,185	1,760	7	42
Core Working Capital	3,427	2,994	1,611	1,323	1,263	825	413	662	484	446
Treasury Investments	14,162	952	6,346	4,159	1,453	3,634	3,760	3,057	1,997	1,722
Total	60,870	29,630	17,166	14,036	11,508	12,084	11,884	6,035	3,195	2,885
Financed By										
Equity	25,861	21,960	19,083	15,764	12,963	11,505	8,613	5,671	2,992	2,657
Debt	27,723	8,690	804	45	61	1,764	3,768	6	5	10
Return on Capital Employed (RoCE)	19%*	20%	34%	34%	30%	33%	51%	127%	150%	112%
Return on Equity (RoE)	20%	22%	33%	31%	30%	44%	74%	126%	132%	95%

* Based on full-year proforma EBIT of FY24 acquisitions; excludes the impact of M&A related Amortisation

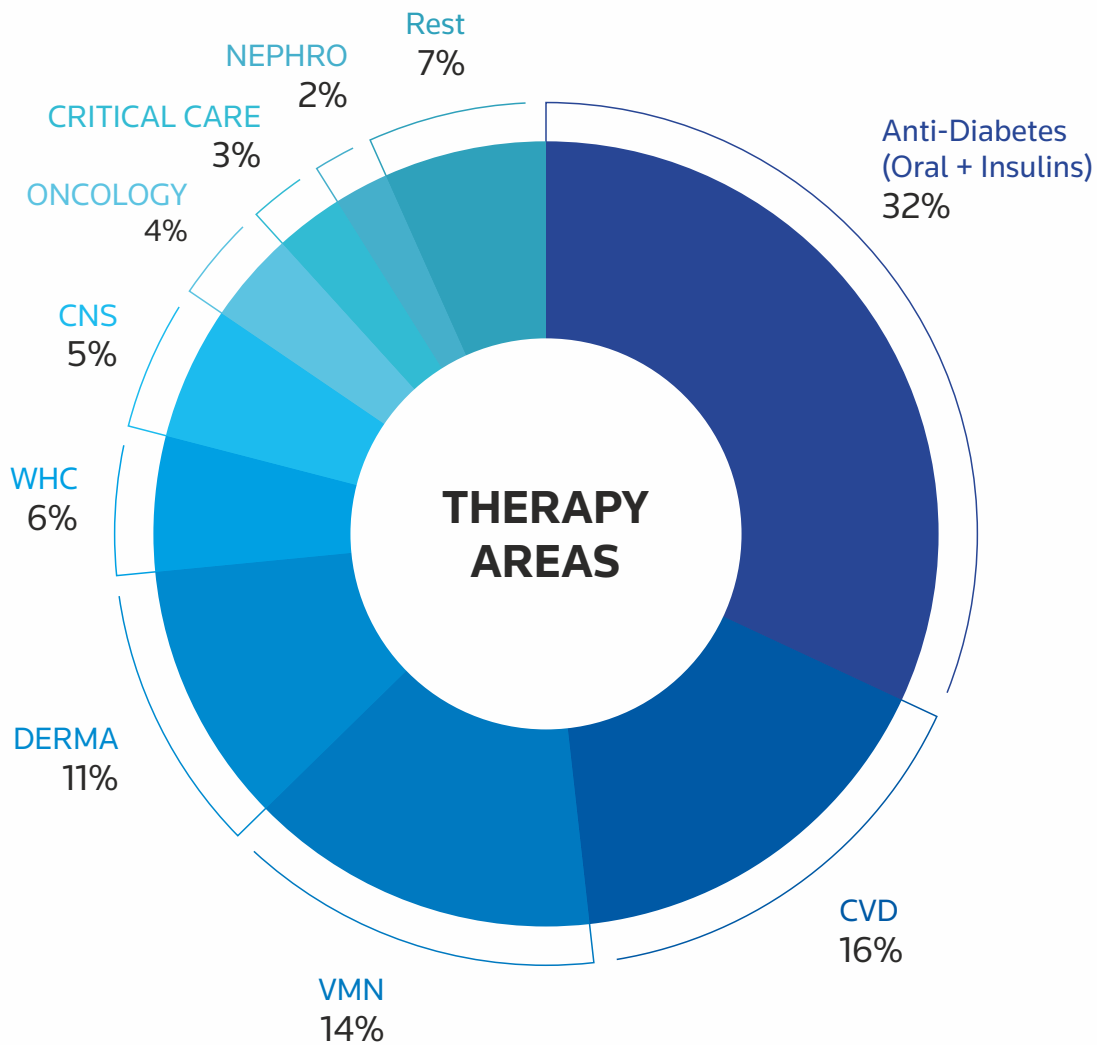
RoCE = Operating EBIT/Average Capital Employed (Ex-cash) | **RoE** = Net Profit attributable to owners/Average Net worth (Ex-cash) | **Net worth (Ex-cash)** = Net worth – (Treasury Investments + Cash and cash equivalents + Other bank balances) | **Invested Capital (Ex-cash)** = Net worth (ex-cash) + 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 95% of its revenues from the domestic branded formulations market. Chronic and sub-chronic therapies account for 82% of our business (vs 53% for IPM).

Our flagship therapies of Oral Anti-Diabetes, CVD and VMN account for 54% of our revenue and our Emerging therapies consisting of Dermatology, Insulins, Women’s Health, CNS, Oncology and Nephrology account for 40% of our revenue.

The evolution in therapeutic mix resulting from acquisitions undertaken during the last two fiscal years has been instrumental in shaping our business profile and growth prospects. Through strategic acquisitions, we have expanded our product offerings, entered new markets, and strengthened our competitive position.

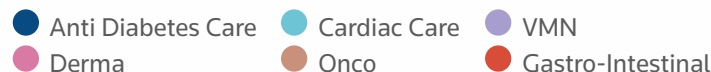
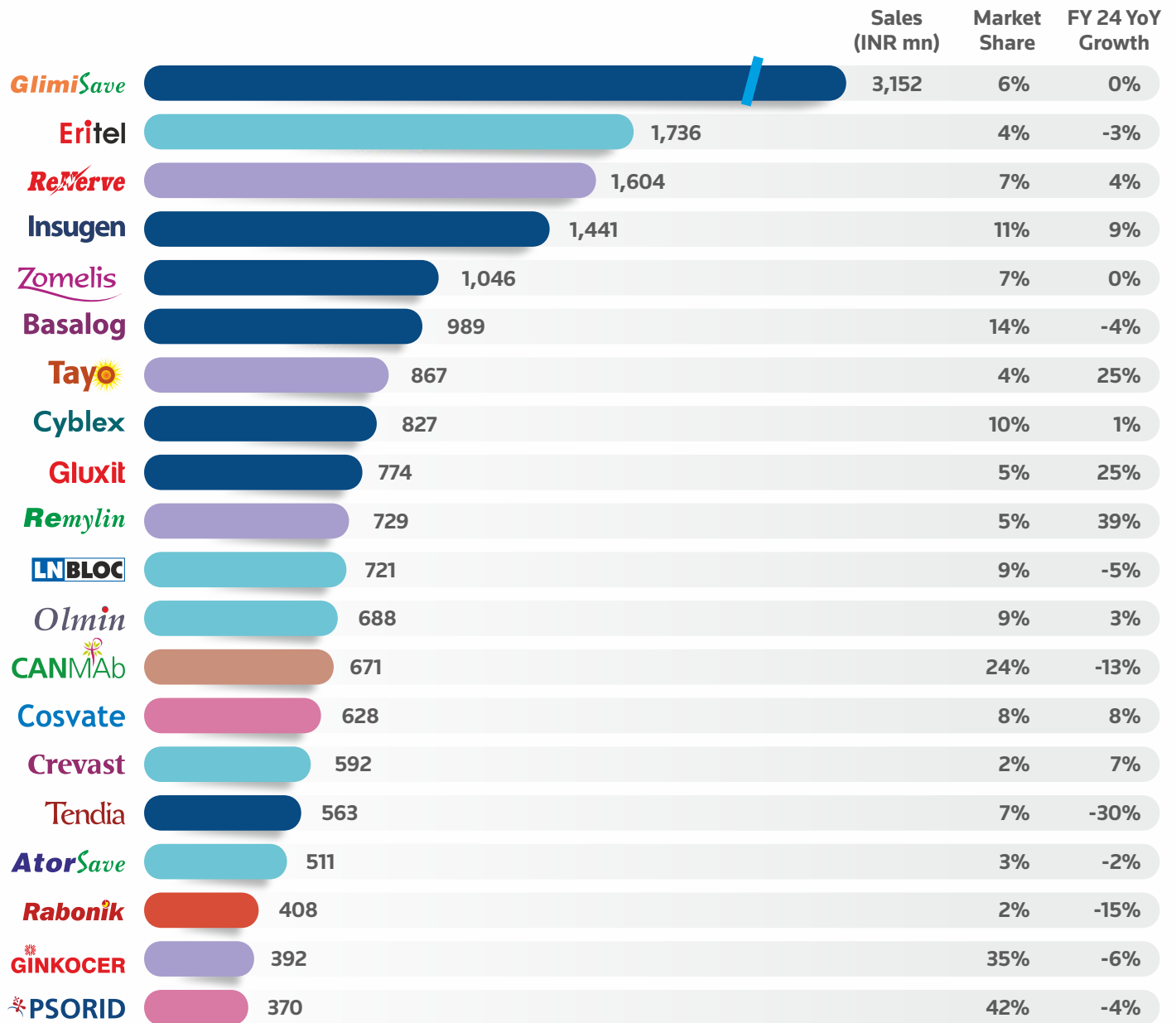


Source: AWACS MAT Apr'24



OUR TOP MOTHER BRANDS

We have a focused portfolio with our Top 20 mother brands accounting for 63% of our domestic branded formulations revenue. 15 of these brands rank among the Top-5 in their respective segments.

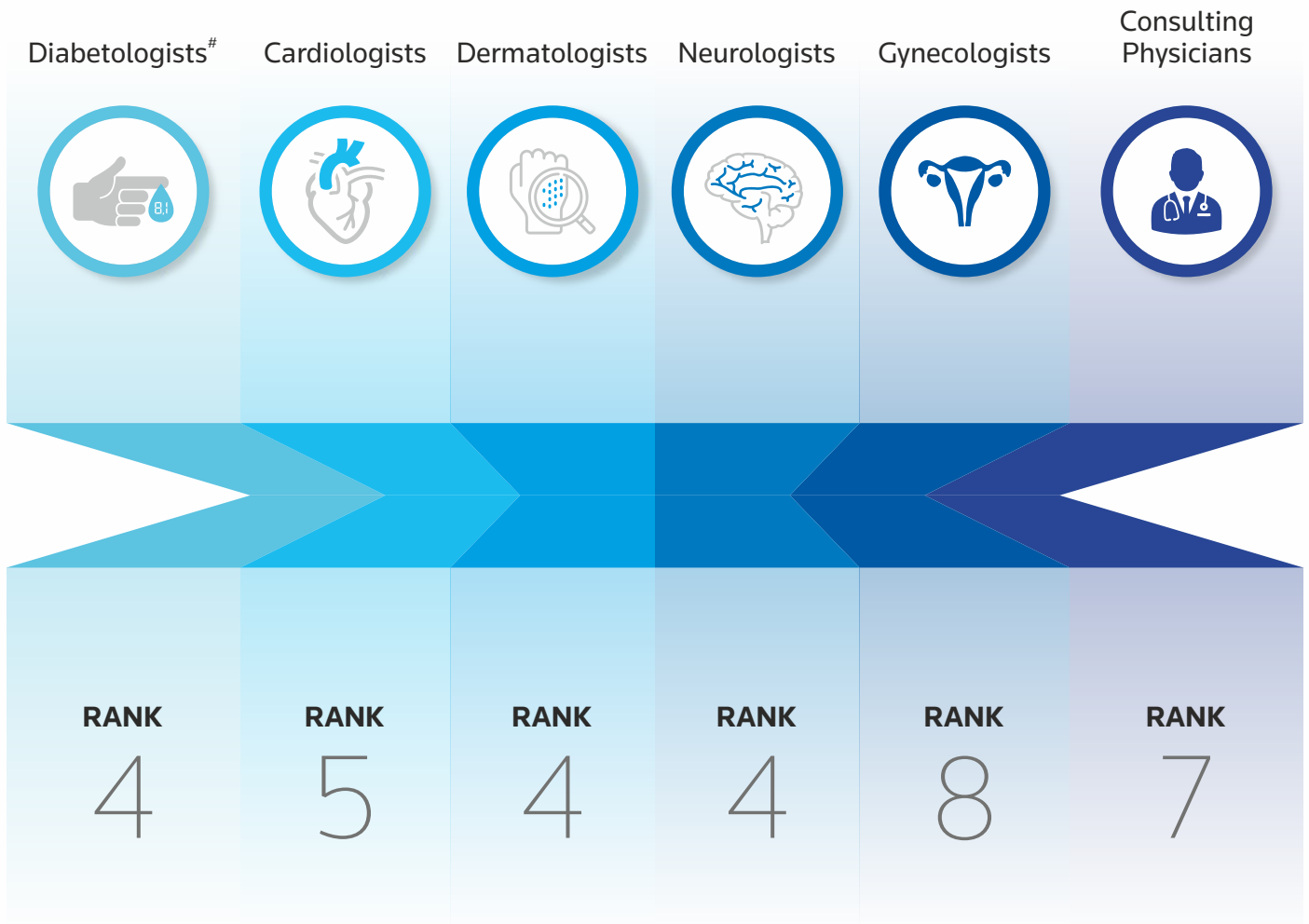


Source: AWACS MAT Mar'24

OUR PRESCRIPTION RANKING

Our prescription rankings across doctor specialties can be attributed to our strategic emphasis on meaningful doctor engagements that are invariably directed towards improvement of patient outcomes. During the year, Eris has

continued its focus on expanding and strengthening the coverage of various doctor specialties. As a result of its persistent efforts, Eris ranks among the top five corporates across various doctor specialties.



Source: SMSRC MAT Feb'24 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists



OUR STRATEGIC BUSINESS UNITS

Cluster 1
OAD

Eris

ASPIRE

Phoenix

Victus

Cluster 5
VMN & WHC

Nikkos

Montana

Filix

Venus

Cluster 2
Insulins

Blu Team

Cluster 6
Derma

SKINCARE

CosmeCare

DermaCare

Biocon Immuno

Cluster 3
CVD

ADURA | Inspira

Cluster 7

BioconTx & Renal Care

Biocon Oncology

Eris OME
ONE WORLD
ONE QUALITY

Eris
Market Access

Cluster 4
CNS

Altiza | Eterna

SWISS PARENTERALS - A SEGUE INTO STERILE INJECTABLES AND SEMI-REGULATED MARKETS

With the vision of entering into the INR 35,000+ crore p.a. India Sterile Injectables market, Eris acquired a majority stake in Ahmedabad based Swiss Parenterals Ltd. – a dossier driven business in Generic and Specialty injectables focused on semi-regulated markets with two EU-GMP approved manufacturing facilities with 190+ injectable dosage forms across a wide range of presentations. This strategic move underscores our commitment to diversification and growth, addressing previously untapped markets with promising opportunities.

Swiss Parenterals exports a portfolio of injectable products to over 70+ markets spread across Africa, Asia Pacific, Middle East, Latin America and CIS countries. Swiss provides an ideal platform for Eris to launch and establish an India focused Sterile Injectables business thereby leveraging Eris' marketing capabilities and its presence across thousands of hospital OPDs across India. The Swiss business will also enable Eris to jumpstart the export of Oral Solid Dose forms by leveraging Swiss' distribution channel in semi-regulated markets and Eris' Oral Solid Dose manufacturing capabilities. This cross-selling opportunity significantly enhances the addressable markets for Eris and enables it to create new growth engines.

With an existing product range of over 1,000 active dossiers across ~200 molecules, and growth pipeline consisting of another 1000+ dossiers across existing and over 40 new molecules, Swiss manufactures the widest range of Small Volume Parenterals (SVP) at its two manufacturing units in Gujarat which are accredited by over 50 international regulatory agencies, including the EU-GMP, Brazilian Anvisa, Mexican Cofepris and Australian TGA. The units have the capability to manufacture liquid vials & ampoules, lyophilised vials, prefilled syringes, penicillins, cephalosporins and carbapenems, inhalation anaesthetics and sterile eye ointments. It also has a dedicated block for Betalactams, Penicillins, Cephalosporins and Carbapenems with additional space available for expansion into Betalactam oral solid dosages.

It is well supported by an R&D team with sterile development capability including liposomal, microsphere, oil-based and depot injections and R&D lab with state-of-the-art equipment and instrumentation.

As we embark on this new journey into the sterile injectables business, we are optimistic about the opportunities that lie ahead and are confident in our ability to drive growth and create long-term value for our stakeholders.



UNIT I



UNIT II

OUR THERAPY AREAS

DIABETES CARE



Diabetes Care (Oral and Injectable) is our flagship therapy contributing to 32% of FY 24 revenue. In our covered market of ~INR 15,000 crore, we rank #5[^] in terms of revenue and #4 as per Rx ranks. Within our OHA* covered market, we rank #6 by revenue.

(Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) ^Rank in represented market

In the last 2 years, we have significantly expanded our Oral as well as Injectables Anti-Diabetes portfolio with the addition of new generation OHAs like Dapagliflozin, Sitagliptin and Linagliptin as well as expanding our presence in the Insulin space with the launch of Xsulin and Xglar. With the acquisition of Biocon's India branded formulation business and the addition of power brands Basalog and Insugen, Eris

now has the 5th largest diabetes franchise in India. Eris also enjoys the distinction of being the only company with a market leading presence in both oral and injectable Anti-Diabetes segments.

Our legacy Diabetes brands continue to maintain high ranks in their respective markets reinforcing our commitment to building strong brands – Glimisave and Cyblex are ranked #5, and Tendia is ranked #3. Notably, all these brands command a market share in excess of 5% in their respective markets.

Our brands in the new age diabetes segments of DPP4 Inhibitors and SGLT2 Inhibitors have taken leading positions in their respective segments among generics despite stiff

competition. Zomelis – our Vildagliptin brand continues to rank #1 among generics, Gluxit - our brand in the Dapagliflozin segment, ranked #4 among generics and registered a growth of 25% yoy; well on its way to enter the Rs. 100 crore club in the near future.

Year 2023 witnessed a slew of molecules going off patent in the Oral Diabetes therapy. Eris, given its leading position and being a strong incumbent in the therapy, participated in these patent expiration opportunities. Our recently launched brands, namely Linares (Linagliptin) and Glura (Sitagliptin) in the DPP4 Inhibitors segment rank #1 and #5 among generics in their respective segments.

**OHA: Orally Administered Anti-Hyperglycaemic Agents*

Injectable diabetes care business constitutes ~9% of our total revenue. In FY24, the business clocked Rs 46 cr revenue with 2 key products namely Xsulin (Recombinant Human Insulin) and Xglar (Glargine). With the addition of power brands like Insugen and Basalog from Biocon’s portfolio, Eris’ now has a strong footprint in the Injectable Anti-Diabetes market.

During the year, we launched 2 First-in-market FDC’s from our R&D platform; Cyblex S and Cyblex D. We also launched several line extensions of the existing brands thereby expanding our addressable market.

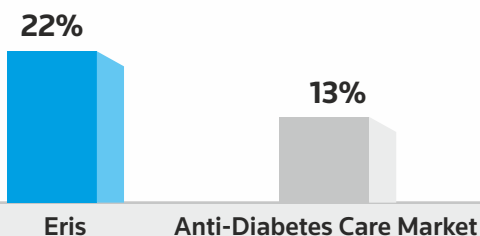
In FY24, the Anti-Diabetes Care segment of Eris grew at 4.4% as per AWACS. Over FY14 to FY24, our Anti-Diabetes franchise has grown 1.7x faster than the market.

Key new launches

GLICAD | **GlimiSave[®] DM** | **GlimiSave[®] Nexa** | **Glura[®]MP**

1.7x times faster growth than market

CAGR over FY 14 - FY 24

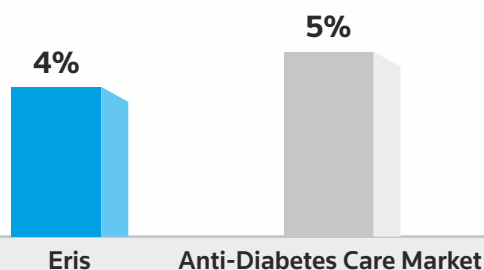


Source: AWACS MAT Mar'24

**data not adjusted for stockist panel changes during the 10 year period*

FY 24 Revenue = INR 9,655 mn

FY 24 YoY growth rate



Source: AWACS MAT Mar'24

GlimiSave | **Zomelis** | **Cyblex** | **Gluxit** | **Tendia** | **Linares** | **Glura**
Insugen | **Basalog** | **xsulin** | **Xglar**

CARDIAC CARE



Cardiac Care is our second largest therapy, contributing ~17% of our business. Our presence encompasses major segments of the therapy. Over FY 14 to FY 24, our Cardiac Care franchise has grown at a CAGR of 11%, largely in-line with the market.

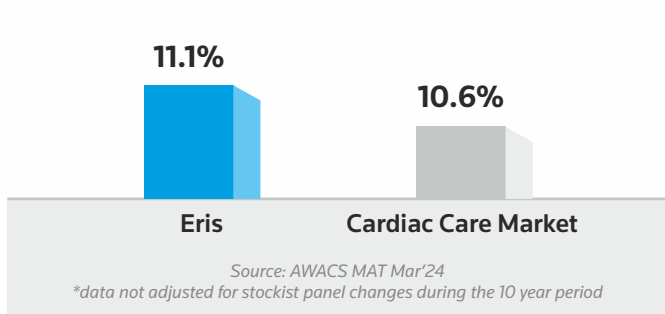
During the year, Zayo, our brand of Sacubitril + Valsartan, in the important segment of heart failure gained momentum and ramped up to garner a market share of ~4% with a market rank of #4 among generics.

On the back of strong specialist engagement, Eris is ranked #5 in terms of prescription rank among Cardiologists and #11^ in terms of revenue in the Cardiac Care space. We have five of our Top-20 mother brands – Eritel, LNBloc, Olmin, Crevast and Atorsave – in the Cardiac segment.

(Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) ^Rank in represented market

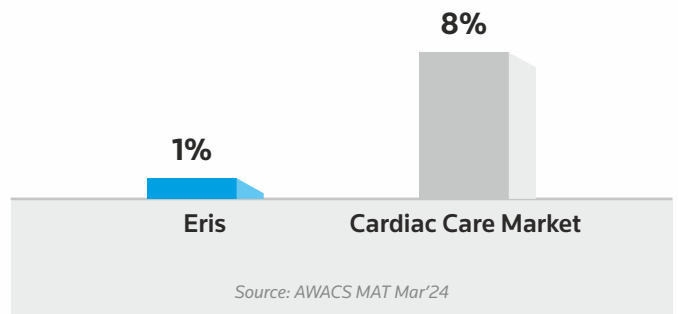
Performed in-line with the market

CAGR over FY 14 - FY 24



FY 24 Revenue = INR 4,941mn

FY 24 YoY growth rate



VMN (Vitamins, Minerals & Nutrients)



Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 4,270 mn or 14% of our business. Over FY14 to FY24, our VMN franchise has outperformed the covered market by growing at a CAGR of 15.4%.

In FY24, our VMN franchise grew at 13.7% vs. the market growth of 4.5%. Rerve, our flagship brand grew at 4% to cross revenues of Rs. 1,600 mn. Driven by successful new introductions and line extensions, Tayo and Remylin demonstrated significant growth of 25% and ~40% respectively; slated to enter the Rs. 1,000 mn club soon.

Key new launches

ReNervePFS

RemylinPFS

CalShineSG60K

RemylinForte

CalShineX

TayoTotal

PalmySenz

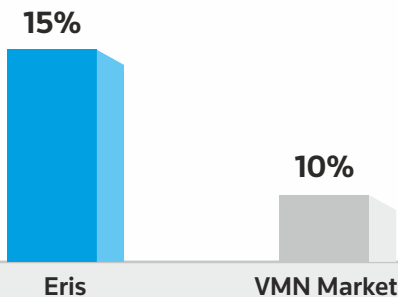
Tayosoft60K

PALMI

TayoSHOTS

1.6x times faster growth than market

CAGR over FY 14 - FY 24

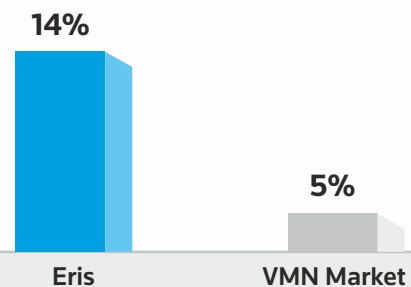


Source: AWACS MAT Mar'24

*data not adjusted for stockist panel changes during the 10 year period

FY 24 Revenue = INR 4,270 mn

FY 24 YoY growth rate



Source: AWACS MAT Mar'24

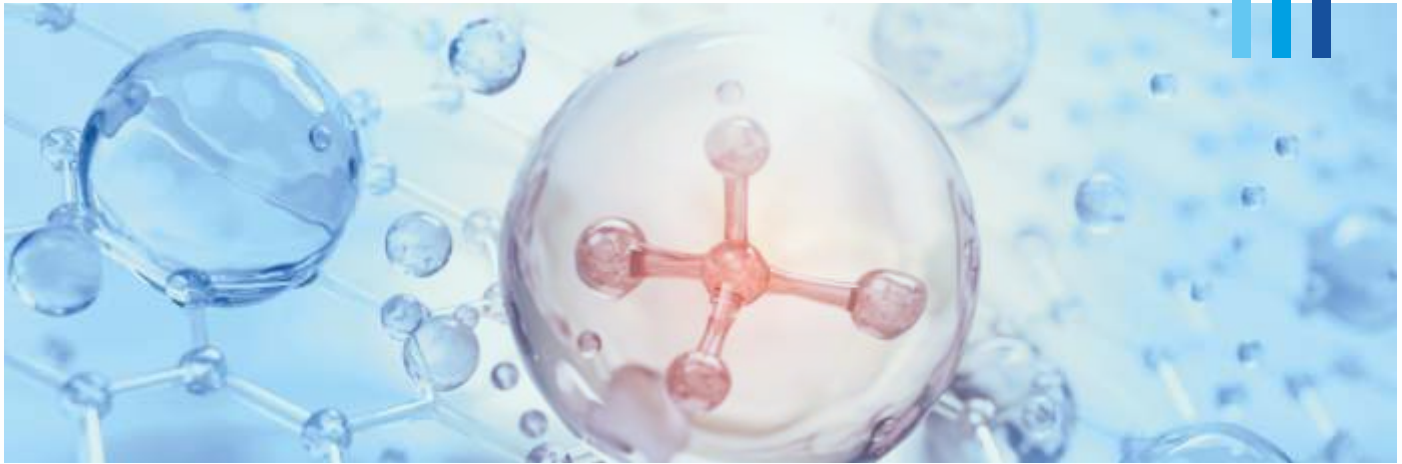
ReNerve

Tayo

Remylin

GINKOCER

DERMATOLOGY



Dermatology is our 4th largest therapy area contributing to ~INR 3,230 mn or 11% of our business. The acquisition of Oaknet Healthcare marked Eris' entry into the therapy segment, followed by the acquisition of select dermatology brands from Glenmark and Dr. Reddy's during the same year. FY24 witnessed integration of these acquired businesses thereby ensuring business continuity/ growth with a significant increase in operating margins.

During the year, Eris acquired the Dermatology business of Biocon thereby providing significant impetus to Eris' Dermatology franchise and further consolidating our position in the therapy. The portfolio not only comprises of several marquee brands like Psorid, Tbis, and Picon augmenting our position in Medical Dermatology but also complements our existing portfolio especially in Psoriasis. With this, Eris is now the 2nd largest player in the Psoriasis market.

Eris is ranked #4 in terms of prescription rank among Dermatologists and #5[^] in terms of revenue in the Derma space with a 6%[^] market share.

(Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) [^]Rank in the represented market

In FY24, while the Dermatology market grew at 6.1% yoy, Eris' portfolio grew at 36.7%.

Key new launches

Demelan LSA 

Crizamont™

Hydroheal NOVA

Clearz New 

STRANDZ™
BOOST

Hydroheal Soft 

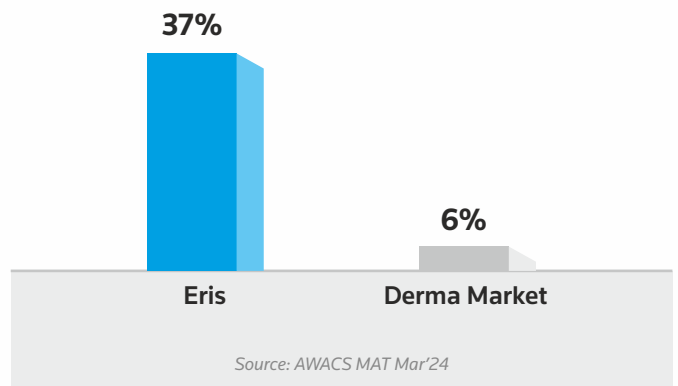
STRANDZ™

 Crisanew

Efatop HYDRA GEL 

FY 24 Revenue = INR 3,229 mn

FY 24 YoY growth rate



WOMEN'S HEALTH



Our Women's Health segment contributed INR 1,660 mn or 6% of our business. Over FY14 to FY24, our Women's Health franchise has grown at a CAGR of 34.4% as against market growth of 11% during the same period.

In FY24, Women's Health market grew by 7.3% yoy. Eris outperformed the market by growing at 25.6%.

Our brand Drolute (rank #8), in the fast-growing Dydrogesterone market, has clocked a revenue of ~INR 30 crore in FY 24 outperforming not only the market but also the Top-4 brands in the market with a significant margin.

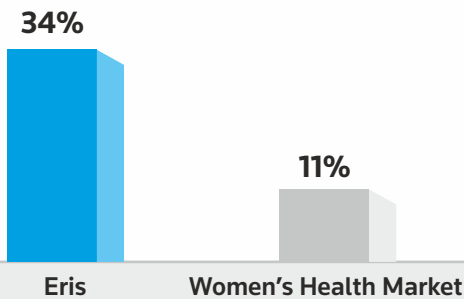
(Source: AWACS MAT Mar'24)

Key new launch

Rupactin

3.1x times faster growth than market

CAGR over FY 14 - FY 24

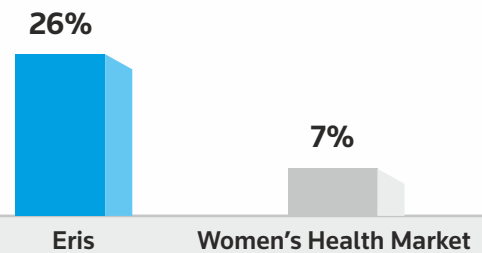


Source: AWACS MAT Mar'24

*data not adjusted for stockist panel changes during the 10 year period

FY 24 Revenue = INR 1,660 mn

FY 24 YoY growth rate



Source: AWACS MAT Mar'24

Raricap

Drolute

Metital

RARISER

CNS (Central Nervous System)



Our sixth largest therapy area, CNS contributed INR 1,632 mn or 5% of our business. In FY24, Eris's CNS segment grew at ~5%. In our covered market, we stand at #4 in terms of Rx ranks. During the year, the therapy witnessed the launch of several line extensions of the existing products in the portfolio.
 (Source: SMSRC MAT Feb'24)

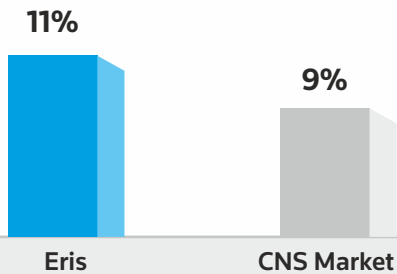
Over FY18 to FY24, our CNS franchise has grown faster than the market by growing at a CAGR of 11.2% as against a market growth of 9.1%.

Key new launches

- CiRQ**
- CiRQ Plus**
- Nobix Plus**
- Dugo**
- NapQTM Plus**
- NapQTM**
- Revlin-D**

1.2x times faster growth than market

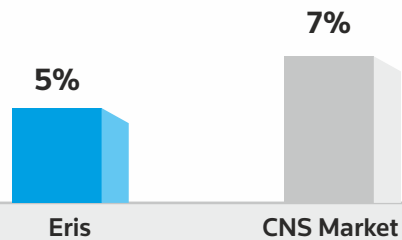
CAGR over FY 18 - FY 24



Source: AWACS MAT Mar'24
 *data not adjusted for stockist panel changes during the 6 year period

FY 24 Revenue = INR **1,632 mn**

FY 24 YoY growth rate



Source: AWACS MAT Mar'24

ONCOLOGY



With the acquisition of Biocon’s branded formulation business, Oncology becomes our 7th largest therapy, contributing ~INR 1030 mn or 3.5% to our business. The portfolio consists of three strategically important oncology molecules. It includes Power brands like Biomab

(Nimotuzumab) – India’s first novel MAB for head and neck cancer, Canmab and Hertraz – First Biosimilars of Trastuzumab approved in the world and Krabeva and Abevmy – Biosimilars of Bevacizumab approved for the treatment of several types of cancer.



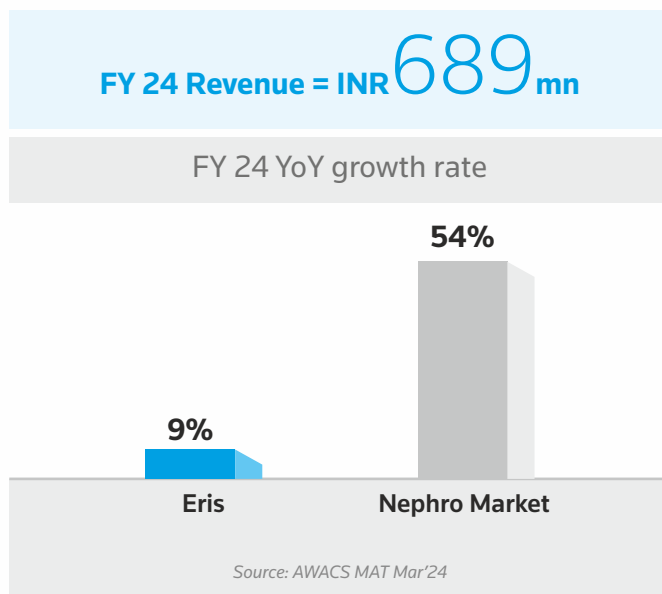
NEPHROLOGY



Our 8th largest therapy, Nephrology contributed ~INR 690 mn or 2% of our business. The acquisition of the Biocon Nephrology business marked our entry into the segment as a logical extension of our position in the Cardiometabolic segment, given that Diabetes and Hypertension are among the key drivers of Chronic Kidney Disease (CKD).

The acquired portfolio brought to us power brands like Tacrograf and Renodapt giving us strong entry into the Organ Transplant category. The portfolio also has emerging brands like Bionesp and Erypro for treating CKD-induced Anemia. This business gives us an established base to deepen our presence in the therapy through new product launches.

In FY24, the acquired Nephrology business grew by 9% yoy.



OUR IT PLATFORM

ENABLING OUR GROWTH JOURNEY



Our journey towards a digitally driven future continued in FY24 with our making significant strides during the year. Our flawless implementation of SAP S4Hana Rise was undoubtedly our biggest step forward in this regard. From groundbreaking initiatives in digital health to pioneering advancements in cybersecurity, we have embarked on a riveting exploration of our relentless pursuit of technological excellence and transformation.

The future awaits, and we are poised to lead the charge into a world where innovation knows no bounds.

The Need for Transformation

The Pharma industry is fraught with multiple challenges like stringent regulatory environments, complex supply chains, and an ever-increasing demand for innovation. In this milieu, standing still equates to moving backward. Digital transformation is not merely an option; it's an imperative for survival and growth. It promises enhanced data-driven decisions, streamlined operations, and personalized patient care, propelling us from good to great.

Laying the Foundation with Gartner's Pace Layering - *Before the transformation, comes the preparation.*

Gartner's Pace Layering methodology is our blueprint. It emphasizes the need to differentiate between systems of records, systems of differentiation, and systems of innovation. Our journey began with solidifying our systems of records - the fundamental data and processes that run our business. This meant replacing our current ERP with the robust SAP S4Hana Rise, setting a stable and scalable foundation for all future digital endeavours.

Project LEAP (SAP S4Hana Rise)

Project LEAP was not just a project for; it was a technology-triggered business transformation. With SAP S4Hana Rise, we did not just upgrade our systems; we have reimagined our entire business model. This journey underscored the power of collaboration. The Project LEAP team, a blend of internally identified champions and external experts was nothing short

of phenomenal. The team's expertise, commitment, and innovative spirit have been the driving force behind this transformative initiative. Solving complex problems and ensuring that the project not only stays on track but also sets new benchmarks for success internally within the organization. Project LEAP was rolled-out in the month of January 2024.

Revitalize IT - A Holistic Approach to Legacy Applications Evaluation and Modernization Initiative

We are evaluating and modernizing our legacy applications thereby streamlining the accumulated technical debt and inefficiencies resulting from years of application development. The following strategies are being implemented.

- ◆ **Retire:** Identifying applications that are no longer serving a purpose or have become obsolete due to changes in business processes or technology advancements.
- ◆ **Rebuild:** For applications that are outdated or difficult to maintain, rebuilding them using modern technologies and development practices.
- ◆ **Refactor:** Instead of completely rebuilding an application, refactoring it to improve specific aspects such as code quality, performance, or security.
- ◆ **Rehost:** This involves moving applications to a different hosting environment without making significant changes to the application itself.
- ◆ **Replatform:** Involves moving applications to a new platform or runtime environment, but with some modifications to take advantage of platform-specific features or optimizations.
- ◆ **Migrate:** If certain applications need to be moved to a different platform or environment (e.g., from on-premises to the cloud), migration can be a viable strategy.
- ◆ **Microservices:** Decompose monolithic applications into smaller, independently deployable services known as microservices.

This effort not only optimizes our IT landscape but also positions us for sustained growth and innovation in the digital era by providing cost savings, agility, scalability, reliability, licenses management and fault isolation.



OUR PEOPLE

NURTURING TALENT AND BUILDING A CULTURE OF EXCELLENCE

As we reflect on the past year, our Human resource team has been instrumental in steering Eris towards a future built on innovation, collaboration and commitment to our most valuable asset – Our People. In the dynamic landscape of the industry we operate in, our Human Resources team has been the driving force behind the cultivation of a workforce that not only adapts to change but propels Eris towards new heights. Through comprehensive training programs, and employee engagement initiatives, we strive to create an environment that fosters professional growth and personal well-being. With a strong team of over 6,500 Erisians, we remain committed to nurturing talent and building a culture of excellence.

Pratham

The year witnessed the launch of inaugural one-day virtual corporate induction program for the employees exemplifying our adaptability and commitment to ensuring a seamless onboarding experience in a digital landscape. It encompasses brief training sessions and onboarding process. The agenda is carefully crafted to maximize engagement and cover essential topics on the first day of joining. This condensed yet comprehensive induction program emphasizes our commitment to leveraging technology to facilitate effective onboarding, ensuring that our new hires feel informed, supported, and aligned with our organizational goals.

Aagman

A corporate induction program, designed to seamlessly integrate new employees into Eris' culture and operations and to acquaint new hires with the organization's ethos, policies, and procedures. Through a structured process of presentations and medical, marketing & detailing sessions, the program aims to expedite the assimilation of new team

members, fostering a sense of belonging and understanding of their roles within the company.

Saksham

Over the years, Eris has made significant strides in employee development through impactful skill development workshops. Saksham, a managerial skill development program is strategically designed to empower our first line managers with the latest industry-specific skills and foster a culture of continuous learning. The program comprises of a three-day workshop covering various aspects of sales management, improving in-clinic effectiveness and includes interactive elements like case study discussion and rapid-fire quiz on science & skills.

Eris Medical Premier League

Building on the triumphs and insights garnered from our first edition of Eris Medical Premier League, we launched and hosted the second edition of this science-based quiz competition. The success was magnified by overwhelming participation of over 1,200 employees across the country and positive feedback underscoring the value of providing a platform for the employees to connect and contribute towards personal development. We look forward to building on the momentum generated by the event and continue to strengthen the bonds that makes Eris a dynamic and rewarding place to work.

Employee Well-being

In an era where the boundaries between professional and personal life are becoming increasingly blurred, the significance of placing mental wellbeing at the forefront of workplace culture has never been more pronounced. Recognizing the importance of holistic well-being, we

conduct periodic mental wellness program for our employees facilitated by experienced doctors focusing on stress and anxiety management. The initiative is expected to result in a more resilient, healthier, and balanced workforce.

Employee Engagement

At Eris, we recognise that engaged and motivated employees are at the heart of our success. Throughout the year, we have championed initiatives that prioritize their engagement,

satisfaction and overall well-being. Our commitment to fostering a positive workplace culture is evident through a range of activities including but not limited to Patient Care Champions, organized team sports activities and Eris Medical Premier League and we also ensure to celebrate moments of happiness like promotions and festive occasions. Our efforts to create a workplace where employees feel valued and supported are evident in the participation of employees across various activities and the tangible success achieved throughout the year.



Looking Forward

In this year, we are excited to take forward our initiatives and undertake further advancements in our employee development programs. Our Human Resources team stands as a cornerstone of Eris’ success, dedicated to nurturing talent, fostering growth, and creating an environment where every employee can thrive. As we look ahead, we do so with confidence in our collective ability to overcome challenges and build a future where our people continue to be our greatest strength.



*In the Branded Formulation and Trade Generics business (Including Oaknet) | *Excluding Swiss Parenterals employees

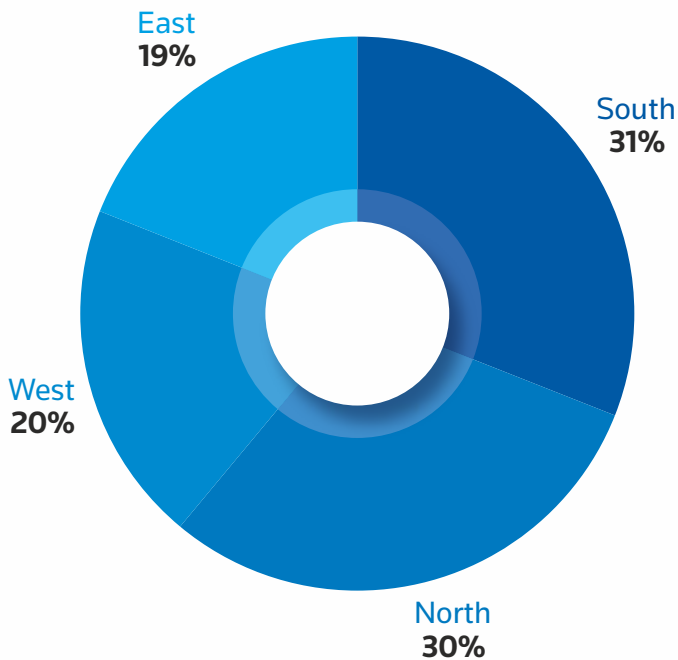


OUR DISTRIBUTION NETWORK

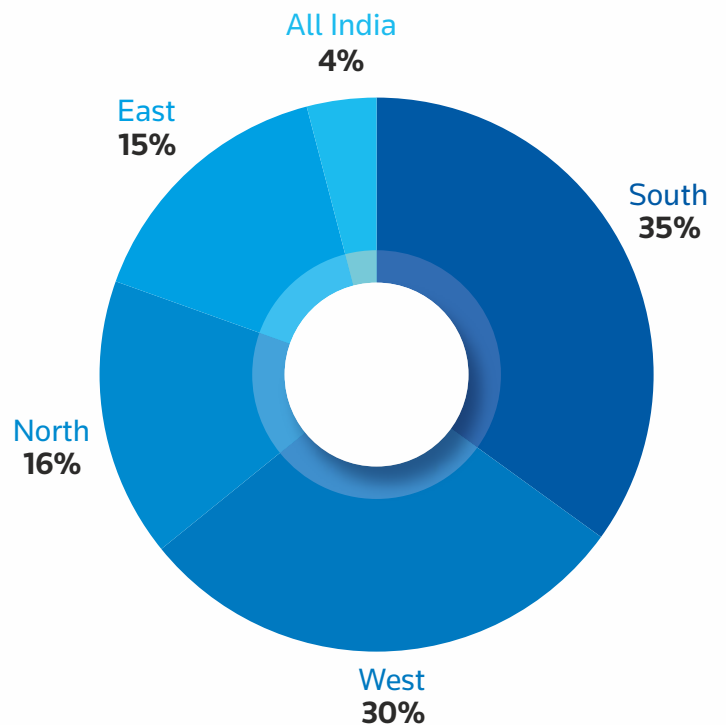
In the dynamic landscape of the pharmaceutical industry, an efficient distribution network plays a fundamental role in ensuring timely and accessible delivery of medications across the country. Through streamlined logistics, we optimize inventory management and minimise lead times. This enables us to swiftly respond to market demands and ensure uninterrupted supply to healthcare providers.

We remain focused on further optimizing the distribution network as we rapidly scale up operations in the years to come and swiftly adapt to evolving market dynamics and healthcare needs.

Region Wise Stockists Distribution



FY 24 Region Wise Sales Distribution



Source: AWACS MAT Mar'24

22

SALES
DEPOT



Super Stockist



Stockist



Manufacturing Plant



OUR MANUFACTURING INFRASTRUCTURE

Our manufacturing infrastructure plays a pivotal role in our company's operations, serving as the backbone for efficient production processes and ensuring product quality and consistency. During the year, our WHO-GMP approved manufacturing facility at Guwahati accounted for 40% of all products sold (by value) and the new facility in Gujarat accounted for 18% of all products sold (by value). Both sites

have large installed capacities to manufacture oral solid dosage forms, and the Ahmedabad site has the capacities for Topical and Injectable formulations as well. Going forward, we expect to expand into complex injectables like biologics and monoclonal antibodies, with a view to insource the manufacturing of the product portfolios acquired from Biocon, thereby strengthening our competitive advantage.

Gujarat Manufacturing Facility

During the year, the manufacturing operations at our new green field plant in Gujarat continued to ramp up. We commenced the commercial manufacturing of our Derma products in Jan 2024; these were previously outsourced.

18% of revenues from products manufactured at Gujarat in FY 24

140+ products manufactured

Physical footprint:
10x of that of Guwahati Facility

Capacities for Oral Solid Dose, Injectables, Oral Liquids & Dermatology

Integrated R&D Capability across Injectables and Oral Solid Dose

WHO GMP approved

Capacity Utilization for Various Dosage Forms

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	2,160	436	20%
Capsules	240	21	9%
Oral Liquid	18	1	8%
Injectable	36	4	11%
Ointment	84	2	2%

**Installed capacity based on two shifts per day*



Guwahati Manufacturing Facility



40% of revenues from products manufactured at Guwahati in FY 24

250+ products manufactured

1 Lakh sq ft built-up area

WHO GMP approved

Capacity Utilization for Prescription Products

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	1,440	690	48%
Capsules	150	53	35%
Sachets	2.4	0.8	33%
Soft Gel Tablets	216	64	29%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	25	11	44%
Capsules	25	16	65%
Sachets	1.2	0.9	75%

*Installed capacity based on two shifts per day



ENVIRONMENT AND OCCUPATIONAL SAFETY

PROTECTING OUR HOME, PROTECTING OUR OWN

During the year, we diligently pursued various initiatives at our manufacturing facility in Guwahati aimed at enhancing energy efficiencies. As a result of these efforts, we successfully saved ~26,000 units of energy per month. Some of the energy-saving measures implemented are mentioned below:

- ◆ Insulation of hot water tanks to minimize energy loss
- ◆ Through regularly planned preventive maintenance activities of systems like HVAC, plant and utility equipment energy efficiency is optimised
- ◆ Continuous monitoring of energy consumption vis-à-vis operational requirements, facilitating real-time adjustments.

At our manufacturing facility in Guwahati, we employ an effluent treatment plant utilizing a Zero Liquid Discharge (ZLD) treatment process, meticulously designed for the elimination of liquid waste from the system. The primary objective of this treatment process is to economically reduce wastewater while generating clean water suitable for reuse in gardening, cooling towers, and other utilities. Consequently, the plant effectively processed an average of ~3100 kilolitres of effluents in the last financial year. Furthermore, our rainwater harvesting system, designed to optimize the utilization of rainwater, harvested ~980 kilolitres of rainwater during the year.

We continue to enhance and refine our occupational health and safety management systems. This entails the systematic identification of hazards and risks associated with site activities, followed by the implementation of periodic risk control and mitigation measures. Specific safety protocols are in place to facilitate timely pre-emptive action for safety, resulting in an exemplary safety record with no casualties or accidents at our Guwahati manufacturing facility since its inception. Some of the key health and safety measures adopted at the plant include:

- ◆ Conducting frequent risk assessments and regular checks to ensure the safety of employees.
- ◆ Organizing medical checkups for employees
- ◆ Observance of safety week, covering all aspects of safety measures.
- ◆ Conducting periodic training on fire safety and first aid by a team of experts.

Moreover, we prioritize fostering healthy relationships and engagement with local communities. To this end, we have initiated and embraced social and community welfare undertakings spanning a wide spectrum of development activities. These community initiatives, implemented in the locality of our manufacturing plant, are done to address the immediate needs of the communities we serve.



CORPORATE SOCIAL RESPONSIBILITY

BEING A RESPONSIBLE CITIZEN

We remain steadfast in our commitment to making a positive impact on society and we will continue to strive for excellence in our CSR endeavours. Our CSR initiatives are not just a corporate obligation but a reflection of our dedication to creating a positive impact on society.

Our CSR initiatives are directed and channelised to not only train the paramedics and clinic visiting populace in life reviving measures like CPR, but also provide supportive preventive care, reduce patient care costs in deserving cases, and make accessible diagnostic medical advancements to the HCPs.

As a part of the above-mentioned efforts, the following impact has been achieved so far:

1. 25,000+ sessions of CPR trainings have been undertaken so far at a group level and 1,00,000+ persons have been trained in this simple but lifesaving reviving procedure
2. 5,00,000+ persons have availed diagnostic procedures under our "on-call" Patient Care Initiatives so far

3. Medicines of value ~INR 29 mn have been disseminated in FY24 to the HCP's with specific requests to use them to treat patients affected by ailments like anaemia, seizures, neuropathic pain, micro-nutrient deficiencies who might need this support the most
4. We have made accessible several preventive diagnostic screening tests like HBA1c, Blood Sugar-CGM, GMC, Blood Pressure, Body Mass Index, Fundus Reports and Holter.

These initiatives have helped in early and better detection of medical conditions thereby aiding patients (and HCPs) to manage their disease better. The identification of warning signs of potential illnesses before they become serious, has helped in ensuring that individuals receive the necessary medical treatment in a timely manner.

The outcomes of our CSR initiatives are a reflection of our commitment to making a positive impact beyond our core business objectives. As we look to the future, we remain committed to driving positive change and creating shared value for all stakeholders.





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**



**“Happy Companies to Work For”
World HRD Congress**

STRATEGIC GROWTH DRIVERS



Growth in Power Brand Portfolio

- ◆ Our Top-25 brands account for ~ 70% of our domestic branded formulations revenue
- ◆ 6 of these brands have revenues of Rs. 100+ crore and we expect another 3 brands to enter the Rs. 100 crore club in FY25 – hence 9 brands of Rs. 100+ crore by end of FY25
- ◆ 18 out of these brands are ranked among the Top-5 in their respective segments.
- ◆ We expect continued growth in this portfolio with high margin and strong cash generation



Expansion In Emerging Specialties

- ◆ We derive 40% of our branded formulations revenue from seven emerging specialties – Dermatology, Insulins, Women’s Health, CNS, Oncology, Critical Care and Nephrology
- ◆ We see significant headroom for disruptive growth in all these segments



New Product Pipeline

- ◆ We have demonstrated our credentials in securing Top-5 market ranks after the loss of exclusivity through our brands Zomelis, Gluxit, Glura, Zayo, Linares, Raricap FCM, etc.
- ◆ We will continue to leverage patent expiration opportunities in the coming years
- ◆ 20+ first-in-market combinations/ products coming up for launch through our own R&D pipeline in FY25



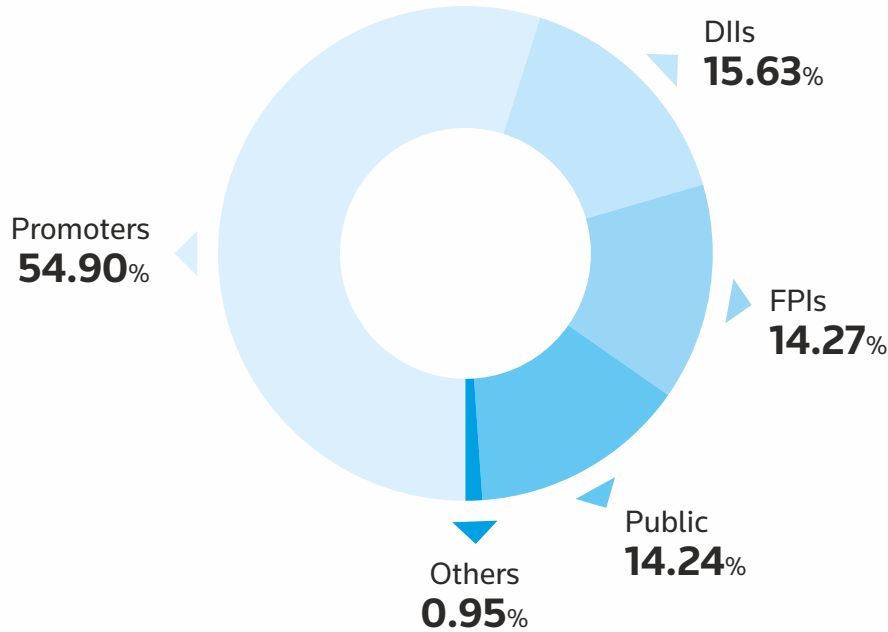
New Business Segments

- ◆ India Injectables – Our next INR 1,000 crore vertical in the next 3-4 years with the Biocon and Swiss portfolios
- ◆ Semi-Regulated Market Exports – Acceleration of Injectable exports and kick-starting of OSD exports



OUR INVESTORS

SHAREHOLDING OF PROMOTERS AND TOP 15 INSTITUTIONAL INVESTORS



Name of Shareholder	As on 31-Mar-24	As on 30-Dec-23	As on 30-Sep-23
Promoters	54.90%	54.90%	54.91%
Chrys Capital (Emerald Investment Limited)	7.27%	7.58%	7.58%
HDFC Mutual Fund	6.60%	5.39%	4.57%
UTI Mutual Fund	4.14%	3.94%	4.74%
UTI Funds – FII	0.87%	0.88%	0.93%
Franklin Templeton Mutual Fund	1.46%	1.47%	1.47%
Franklin Templeton Investment Fund	1.26%	0.00%	0.00%
Aditya Birla Sun Life Mutual Fund	0.87%	1.33%	1.38%
Ellipsis Partners LLC	0.79%	0.79%	0.79%
Kuwait Investment Authority Fund	0.79%	1.03%	1.10%
HSBC Mutual Fund	0.71%	0.71%	0.71%
Steinberg India Fund	0.66%	0.54%	0.54%
Blackrock Funds	0.38%	0.31%	0.29%
Tata Mutual Fund	0.38%	0.38%	0.38%
Bank of India Mutual Fund	0.37%	0.34%	0.26%
Dimensional Funds	0.32%	0.29%	0.27%



STATUTORY REPORTS

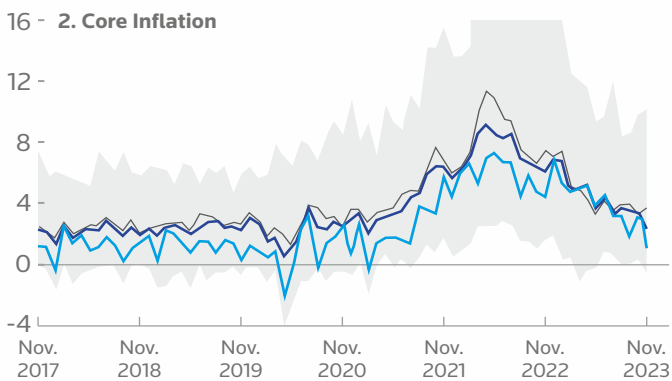
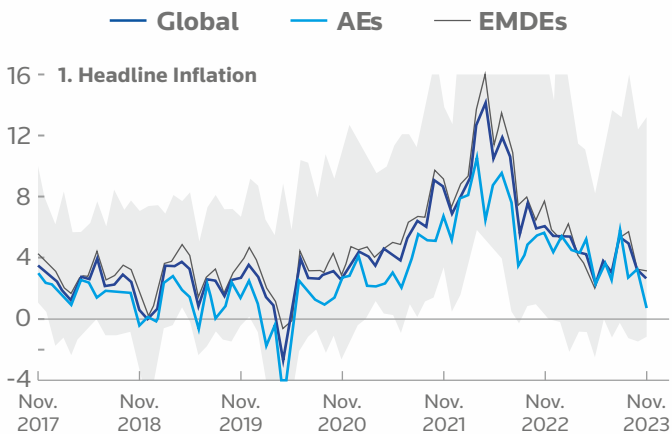


MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW GLOBAL

In the past two years, major economies of the world witnessed aggressive interest rate hikes by central banks driven by the impact of persistent inflation pressure resulting in moderate global economic growth, high mortgage costs, tighter credit availability and challenges for firms refinancing their debt. As an outcome of the tightening of monetary policy by central banks, inflation has started to ease from its 2022 peak. This receding inflation trend is expected to result in stronger economic growth allowing central banks to move forward with policy easing plans.

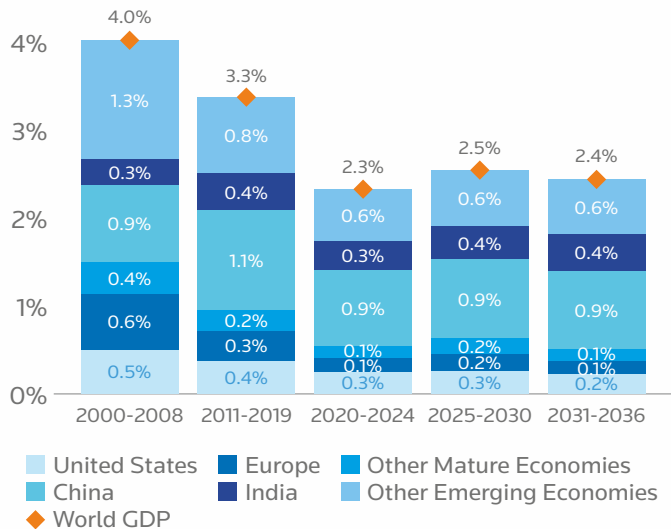
Global Inflation
(Month-over-month annualized percent change, seasonally adjusted)



Note: The figure plots the median of a sample of 57 economies that accounts for 78 percent of World Economic Outlook world GDP (in weighted purchasing-power parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. The bands depict the 10th to 90th percentiles of inflation across economies. "Core inflation" is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = Advanced Economies; EMDEs = Emerging Market and Developing Economies
Source: Haver Analytics; and IMF staff calculations

According to The Conference Board, the estimated rate of future global growth (2.5%) will remain below the average for the decade leading up to the pandemic (3.3%). Also, the Global GDP growth is expected to be driven by emerging market economies accounting for two-thirds of global GDP growth in the decade leading up to the pandemic. While, lower global inflation, end of war in Ukraine, rising global middle class might be some of the factors that could provide potential upside to the global economic growth in the future, geopolitical uncertainties like continuation of the war in Ukraine, worsening relationship between China and the US, migration of people due to military conflicts could be some of the downside risks over the next decade.

Regional Contributions to Global GDP Growth
(Average annual % change)

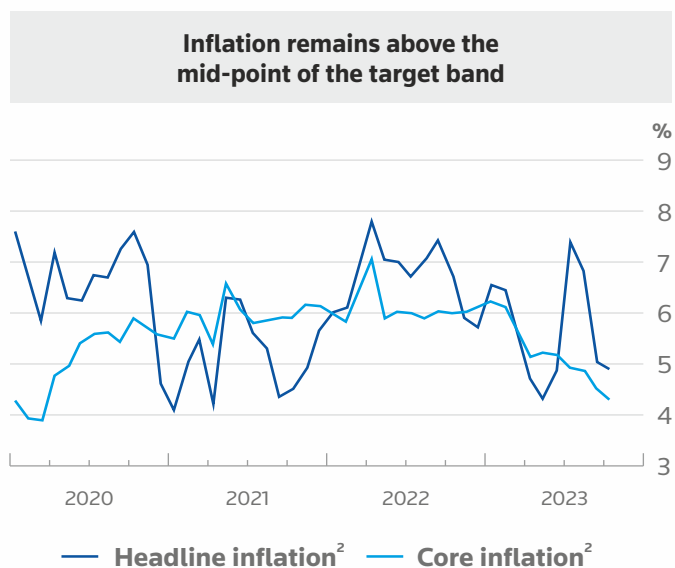
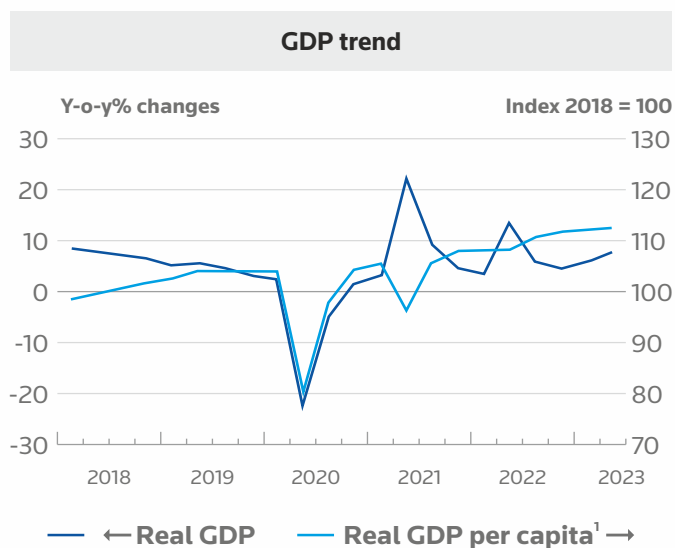


Note: Regional GDP contributions are calculated using shares in nominal PPP converted GDP
Source: The Conference Board Global Economic Outlook 2024

INDIA

After a strong outcome in FY 22-23, real GDP growth is expected to slow to 6.3% in FY 2023-24 and 6.1% in FY 2024-25 on account of weakening international outlook and adverse weather-related events. However, it is expected to rebound gently in FY 2025-26 to 6.5% with productivity gains from policy reforms and improved global conditions.

On account of slower economic growth, inflation expectations, housing prices and wages are expected to progressively moderate, aiding headline inflation to converge lower. As an outcome, monetary policy easing is expected to start in the second half of 2024, supporting business investment and discretionary household spending. While monetary policy tightening is successfully managing inflationary pressures but is also weighing on household consumption and corporate investment. Headline inflation moderated in the first half of 2023 and dropped below the upper threshold of the central bank's 2-6% target range in September.



¹Real GDP per capita is based on GDP in constant prices (2015 PPP), USD. Quarterly population data are calculated by interpolating annual data. OECD estimates on population data for 2023. ² OECD seasonal adjustment based on monthly consumer price index and core CPI (index 2012 = 100) from the Ministry of Statistics and Programme Implementation (MOSPI). Source: OECD Economic Outlook 114 database; OECD Population database; and CEIC.

PHARMACEUTICAL MARKET

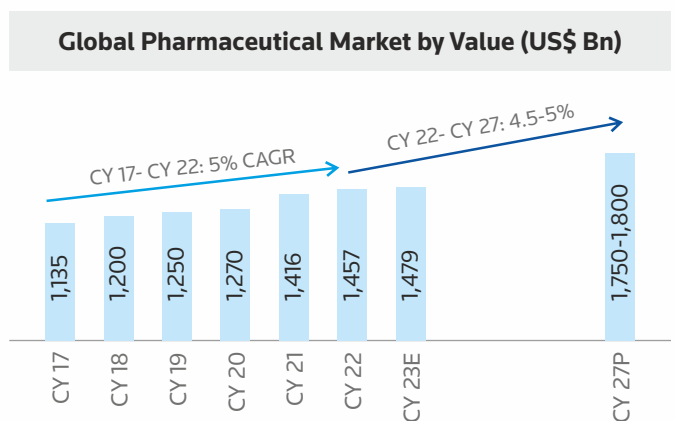
GLOBAL

The pharmaceutical market remains critical in advancing global healthcare, covering critical aspects such as research, development, manufacturing, and distribution of pharmaceutical products, including drugs, vaccines, and biotechnology-based solutions.

The global pharmaceutical market was valued at US\$ 1,457 Bn as on CY 22 after growing at 5% CAGR over the period CY 17 to CY 22. Having witnessed strong growth in CY 21 on account of pent-up demand, the market is expected to depict signs of moderation in CY 23. However, market is expected to sustain growth of 4.5%-5% CAGR over the next five years to stand at US\$ 1,750 to US\$ 1,800 by CY 27.

The market is expected to be driven by rise in ageing population to take care of their healthcare needs which mainly consists of prevalence of chronic diseases such as Diabetes and Cardiovascular diseases, better access to medicine in emerging pharmaceutical markets such as China, India, Brazil and Indonesia, strong development of generics market among others.

In addition to above mentioned factors, consumer awareness of health, wellness and preventive care has intensified post the pandemic. To respond to these aspects and in order to meet these increasing demands, industry has introduced new offerings with curative potential and improved existing therapies by making them more targeted.



Note: E-Estimated, P-Projected, CY-Calendar Year
Source: Pharma Company reports, CRISIL MI&A Research

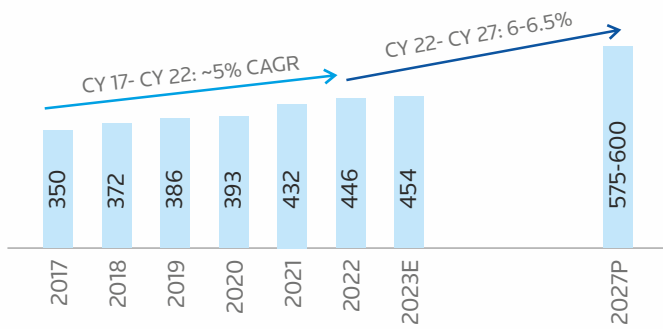
REST OF THE WORLD

The Rest of the World market (Global pharmaceutical market excluding Europe, Canada and USA) was valued at US\$ 446

Bn in 2022 having grown at a CAGR of ~5% during the period 2017-2022. The market is expected to grow at ~6-6.5% CAGR during the period 2022-2027 to reach ~US\$ 575-600 Bn by 2027. This growth will largely be led by the emerging countries like Mexico, Brazil, China and India fuelled by higher out-of-pocket expenditure, favourable demographics and growing share of middle-class population.

Emerging countries in rest of the world markets are primarily characterised by lower penetration of healthcare facilities, wide base of patients with acute and chronic diseases and low penetration of generics. The demand for treatment of chronic diseases on account of high out-of-pocket expenditure will boost demand of generics in the semi-regulated markets.

Rest of the World Pharmaceutical Market by Value (US\$ Bn)

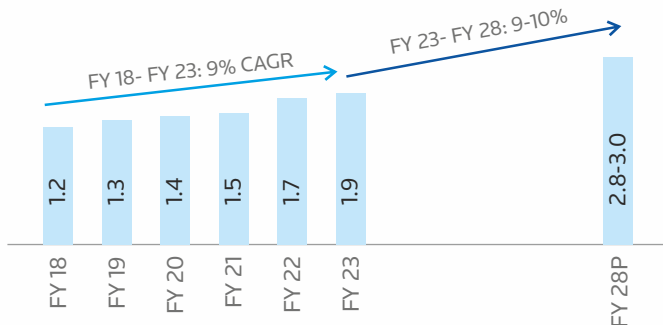


Note: Rest of the world market: Global pharmaceutical market excluding Europe, Canada, and USA | E-Estimated, P-Projected
Source: CRISIL MI&A Research

INDIA

The Indian domestic formulations market delivered a 9% CAGR during FY 18 to FY 23 to stand at Rs. 1.9 Tn as of FY 23. The market is expected to grow at 9-10% CAGR over the next five years starting FY 23 to reach Rs. 2.8-3 Tn in FY 28.

Indian Domestic Formulations Market (INR Tn)



Note: P-Projected, FY-Financial Year
Source: AIOCD AWACS, CRISIL MI&A Research

The growth in the domestic formulations market is expected to be driven by increasing prevalence of chronic diseases such as Diabetes, Cardiovascular diseases and Cancer (to name a few), increasing patient pool with high disease burden of chronic diseases, rise in insurance penetration, improved drug access and affordability among others.

According to AWACS, during the year FY23-24, the chronic and sub-chronic therapies of the Domestic Branded Formulations Market (the IPM) which constitute 53% of the total domestic formulations market grew at a rate of ~7% driven by growth in the therapy areas of Anti-Diabetes and Cardiovascular. Sedentary lifestyle along with poor dietary habits have resulted in growing incidence of chronic diseases in Indian population which is expected to drive the growth of above-mentioned therapies in the years to come.

ERIS AT A GLANCE – WHO WE ARE

Eris Lifesciences Ltd is a publicly listed Indian Pharmaceutical company and a leading player in the Domestic Branded Formulations market. It is the youngest among the Top-20 companies in the Indian Pharmaceutical Market with a strong presence in major therapies like Oral Anti-Diabetes, Insulins, Cardiovascular, Vitamins/ Minerals and Dermatology.

Eris embarked on a remarkable journey in the Indian pharmaceutical industry 17 years ago, driven by a vision to make a meaningful impact in the management of chronic diseases and build a business model pivoted around specialist and super specialist doctors. Over the years, we have evolved into a formidable entity with leadership positions across key therapies and high prescription ranks across doctor specialties. We continue to focus on our engagement programmes aimed at facilitating the generation of actionable scientific evidence to enable clinicians to improve clinical outcomes as well as augmenting our Patient Care Initiatives by bringing cutting edge diagnostic facilities and subsequent treatment options. As we progress towards our third decade of existence, we are guided by our founding principles and poised to continue our legacy of excellence.

FY24 marked a significant year as we put in place a platform to enter the injectables segment in India, an INR 35,000+ crore p.a. market opportunity. To this effect, in February 2024 we acquired a controlling equity in Swiss Parenterals, a dossier driven sterile injectable business with a product range of 190+ unique molecules and a pipeline of 40+ new molecules. In March 2024* we announced the acquisition of Biocon's India Branded Formulation business, thereby completing the second leg of our India Injectables strategy. The acquired business will add significant momentum to our organically built Insulin franchise with the addition of two Insulin power brands – Basalog and Insugen. The Critical Care division will serve as a great platform for us to jumpstart our India branded Injectables play through already established brands of Biocon as well as addition of new products from Swiss Parenterals pipeline of new and existing molecules. The acquisition also gave us an entry into the large and fast-growing segment of Oncology with a portfolio of monoclonal antibodies.

We have a focused portfolio of brands with our Top-25 mother brands accounting for ~ 70% of our revenue. Eighteen out of Top-25 mother brands are ranked among Top-5 in their respective segments. We have 6 mother brands with revenues of Rs. 100+ crore and 11 mother brands with revenues of Rs. 50 – 100 crore.

We operate two WHO-GMP approved manufacturing facilities, each playing a pivotal role in making us a vertically integrated pharmaceutical player. Our recently commissioned manufacturing facility at Gujarat completed one full year of operations and has started delivering fiscal benefits from FY24. We recently commissioned a new Dermatology block and started manufacturing of various topical formulations. Our pan India distribution network with over 4,000 stockists ensures timely and accessible delivery of products across the country. Over 6,500 employees work in our offices, manufacturing facilities and on the field across the country.

We clocked a consolidated operating revenue of INR 2,009 crore in FY 24, registering a growth of 19% with an EBITDA of INR 675 crore and PAT of INR 397 crore. We continue to maintain industry leading margins with average Gross margin of 82% and EBITDA margin of 35% over the last 8 years.

We look forward to consolidate and effectively execute on our strategic priorities in the coming years on the strength of the fundamental pillars of our business and be able to create significant value for all our stakeholders.

**The deal financial closure was on 2 April 2024*

FACILITATING EVIDENCE-BASED 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.
- 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.
- Participants screened: 100,107
- 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.
- 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.
- Participants screened: 134,678
- 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.
- 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.

- Participants screened: 27,472
- 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.
- 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
- Participants screened: 27,472 (Age: 51 ± 14 years)
- 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.

- 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.
- Participants screened: 14,977
- Published in the Journal of Clinical Hypertension

Comparative Analysis of Ambulatory Blood Pressure Characteristics in Acute Stroke and Non-stroke Indian Patients

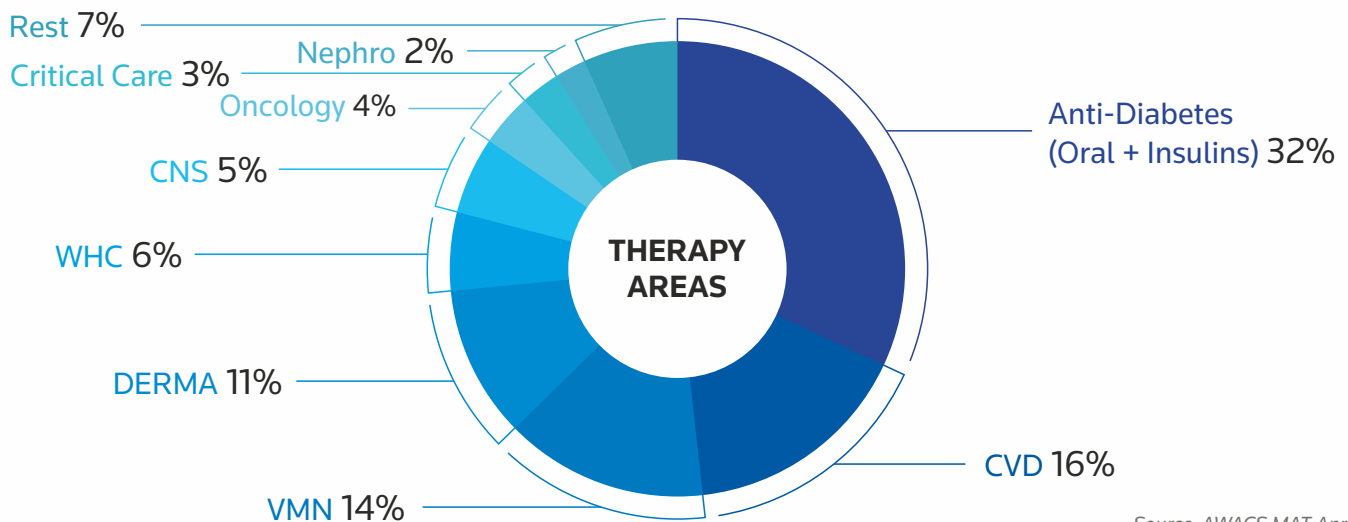
- Study aims at identifying 24-H Blood Pressure (BP) characteristics after acute stroke in India Hospitalized patients by undergoing Ambulatory Blood Pressure Measurement (ABPM).
- Several ABPM characteristics were strongly associated with stroke in Indian hospitalised patients. Minimum nighttime and average morning SBP may be considered as important and practical parameters for its relationship with stroke.
- Participants screened: 769
- Published in the Blood Pressure Monitoring Journal

OUR BUSINESS

Eris derives 95% of its revenues from the domestic branded formulations market. Chronic and sub-chronic therapies account for 82% of our business (vs 53% for IPM).

Our flagship therapies of Oral Anti-Diabetes, CVD and VMN account for 54% of our revenue and our Emerging therapies consisting of Dermatology, Insulins, Women's Health, CNS, Oncology and Nephrology account for 40% of our revenue.

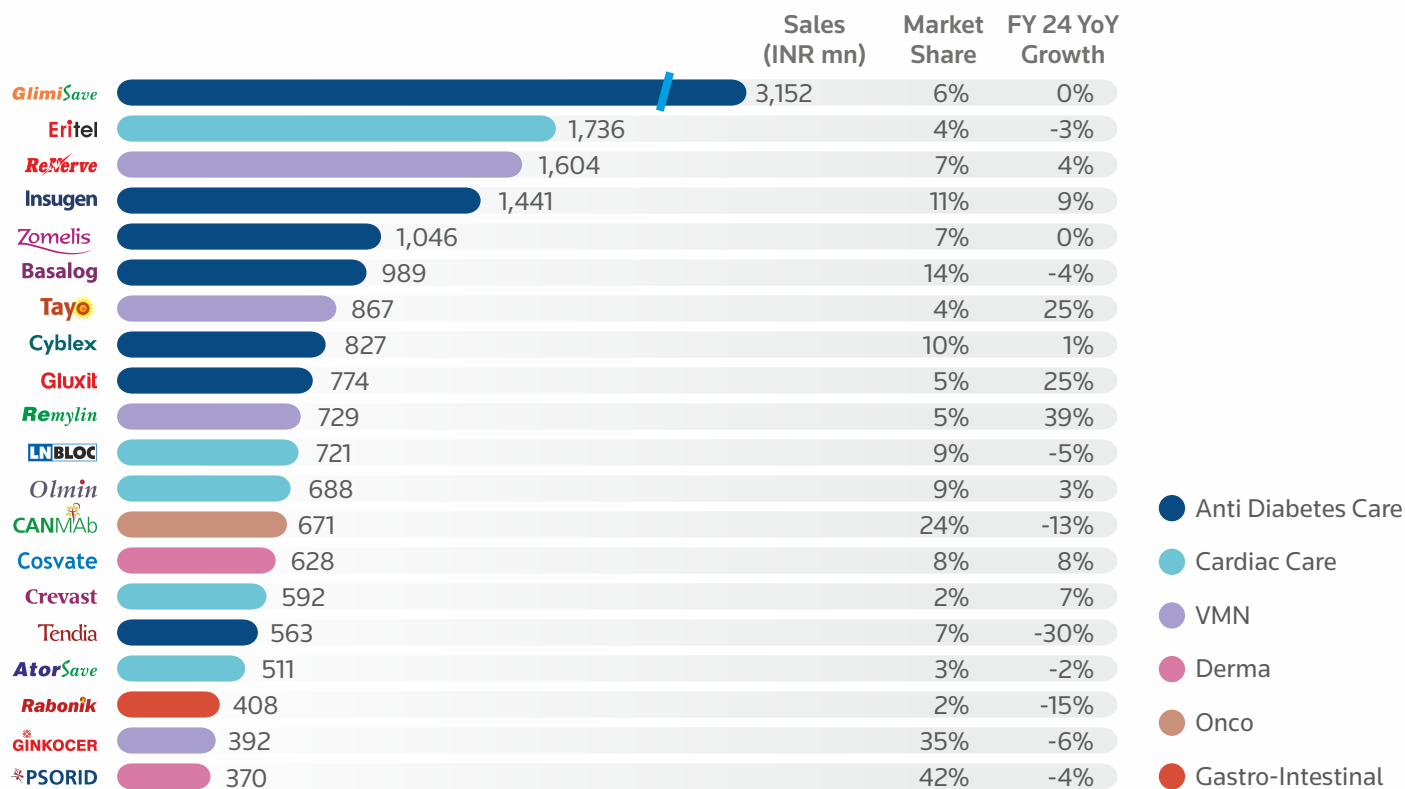
The evolution in therapeutic mix resulting from acquisitions undertaken during the last two fiscal years has been instrumental in shaping our business profile and growth prospects. Through strategic acquisitions, we have expanded our product offerings, entered new markets, and strengthened our competitive position.



Source: AWACS MAT Apr'24

OUR TOP MOTHER BRANDS

We have a focused portfolio with our Top 20 mother brands accounting for 63% of our domestic branded formulations revenue. 15 of these brands rank among the Top-5 in their respective segments.
















OUR PRESCRIPTION RANKING

Our prescription rankings across doctor specialties can be attributed to our strategic emphasis on meaningful doctor engagements that are invariably directed towards improvement of patient outcomes. During the year, Eris has continued its focus on expanding and strengthening the coverage of various doctor specialties. As a result of its persistent efforts, Eris ranks among the top five corporates across various doctor specialties.



Source: SMSRC MAT Feb'24 / Prescription Rank in Represented Market / # Diabetologists include Endocrinologists

OUR STRATEGIC BUSINESS UNITS

Cluster 1 OAD	 
Cluster 2 Insulins	
Cluster 3 CVD	
Cluster 4 CNS	
Cluster 5 VMN & WHC	 
Cluster 6 Derma	 
Cluster 7	   

SWISS PARENTERALS A Segue into Sterile Injectables and Semi-Regulated Markets

With the vision of entering into the INR 35,000+ crore p.a. India Sterile Injectables market, Eris acquired a majority stake in Ahmedabad based Swiss Parenterals Ltd. – a dossier driven business in Generic and Specialty injectables focused on semi-regulated markets with two EU-GMP approved manufacturing facilities with 190+ injectable dosage forms across a wide range of presentations. This strategic move underscores our commitment to diversification and growth, addressing previously untapped markets with promising opportunities.

Swiss Parenterals exports a portfolio of injectable products to over 70+ markets spread across Africa, Asia Pacific, Middle East, Latin America and CIS countries. Swiss provides an ideal platform for Eris to launch and establish an India focused Sterile Injectables business thereby leveraging Eris' marketing capabilities and its presence across thousands of hospital OPDs across India. The Swiss business will also enable Eris to jumpstart the export of Oral Solid Dose forms by leveraging Swiss' distribution channel in semi-regulated markets and Eris' Oral Solid Dose manufacturing capabilities. This cross-selling opportunity significantly enhances the addressable markets for Eris and enables it to create new growth engines.



With an existing product range of over 1,000 active dossiers across ~200 molecules, and growth pipeline consisting of another 1000+ dossiers across existing and over 40 new molecules, Swiss manufactures the widest range of Small Volume Parenterals (SVP) at its two manufacturing units in Gujarat which are accredited by over 50 international regulatory agencies, including the EU-GMP, Brazilian Anvisa, Mexican Cofepris and Australian TGA. The units have the capability to manufacture liquid vials & ampoules, lyophilised vials, prefilled syringes, penicillins, cephalosporins and carbapenems, inhalation anaesthetics and sterile eye ointments. It also has a dedicated block for Betalactams, Penicillins, Cephalosporins and Carbapenems with additional space available for expansion into Betalactam oral solid dosages.

It is well supported by an R&D team with sterile development capability including liposomal, microsphere, oil-based and depot injections and R&D lab with state-of-the-art equipment and instrumentation.

As we embark on this new journey into the sterile injectables business, we are optimistic about the opportunities that lie ahead and are confident in our ability to drive growth and create long-term value for our stakeholders.

OUR THERAPY AREAS

DIABETES CARE

Diabetes Care (Oral and Injectable) is our flagship therapy contributing to 32% of FY 24 revenue. In our covered market of ~INR 15,000 crore, we rank #5[^] in terms of revenue and #4 as per Rx ranks. Within our OHA* covered market, we rank #6 by revenue.

(Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) ^Rank in represented market

In the last 2 years, we have significantly expanded our Oral as well as Injectables Anti-Diabetes portfolio with the addition of new generation OHAs like Dapagliflozin, Sitagliptin and Linagliptin as well as expanding our presence in the Insulin space with the launch of Xsulin and Xglar. With the acquisition of Biocon's India branded formulation business and the addition of power brands Basalog and Insugen, Eris now has the 5th largest diabetes franchise in India. Eris also enjoys the distinction of being the only company with a market leading presence in both oral and injectable Anti-Diabetes segments.

Our legacy Diabetes brands continue to maintain high ranks in their respective markets reinforcing our commitment to building strong brands – Glimisave and Cyblex are ranked #5, and Tendia is ranked #3. Notably, all these brands command a market share in excess of 5% in their respective markets.

Our brands in the new age diabetes segments of DPP4 Inhibitors and SGLT2 Inhibitors have taken leading positions in their respective segments among generics despite stiff competition. Zomelis – our Vildagliptin brand continues to rank #1 among generics, Gluxit - our brand in the Dapagliflozin segment, ranked #4 among generics and registered a growth of 25% yoy; well on its way to enter the Rs. 100 crore club in the near future.

Year 2023 witnessed a slew of molecules going off patent in the Oral Diabetes therapy. Eris, given its leading position and being a strong incumbent in the therapy, participated in these patent expiration opportunities. Our recently launched brands, namely Linares (Linagliptin) and Glura (Sitagliptin) in the DPP4 Inhibitors segment rank #1 and #5 among generics in their respective segments.

**OHA: Orally Administered Anti-Hyperglycaemic Agents*

Injectable diabetes care business constitutes ~9% of our total revenue. In FY24, the business clocked Rs 46 cr revenue with 2 key products namely Xsulin (Recombinant Human Insulin) and Xglar (Glargine). With the addition of power brands like Insugen and Basalog from Biocon's portfolio, Eris' now has a strong footprint in the Injectable Anti-Diabetes market.

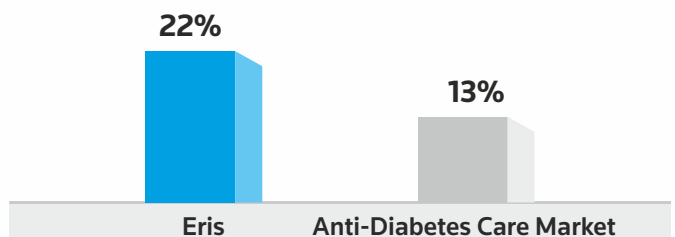
During the year, we launched 2 First-in-market FDC's from our R&D platform; Cyblex S and Cyblex D. We also launched several line extensions of the existing brands thereby expanding our addressable market.

In FY24, the Anti-Diabetes Care segment of Eris grew at 4.4% as per AWACS. Over FY14 to FY24, our Anti-Diabetes franchise has grown 1.7x faster than the market.

Key new launches
Glicad, Glimisave DM, Glimisave Nexa, Glura MP

1.7x times faster growth than market

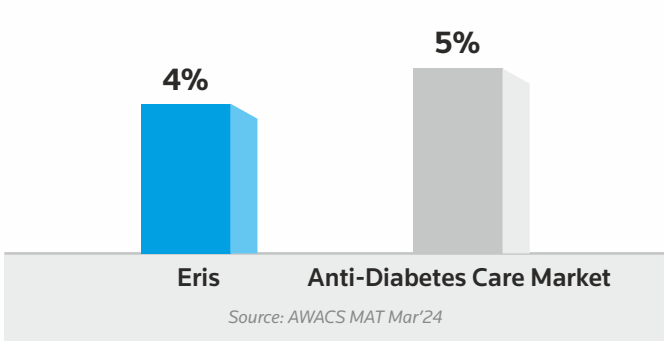
CAGR over FY 14 - FY 24



*Source: AWACS MAT Mar'24
data not adjusted for stockist panel changes during the 10 year period

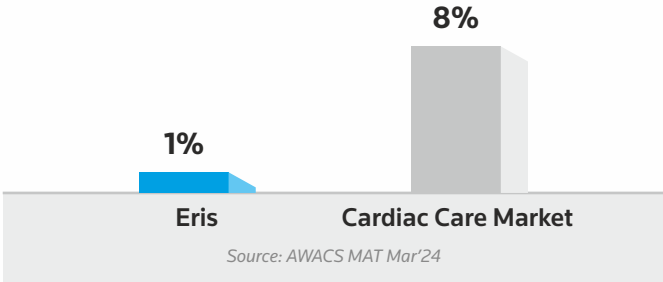
FY 24 Revenue = INR 9,655 mn

FY 24 YoY growth rate



FY 24 Revenue = INR 4,941 mn

FY 24 YoY growth rate



CARDIAC CARE

Cardiac Care is our second largest therapy, contributing ~17% of our business. Our presence encompasses major segments of the therapy. Over FY 14 to FY 24, our Cardiac Care franchise has grown at a CAGR of 11%, largely in-line with the market.

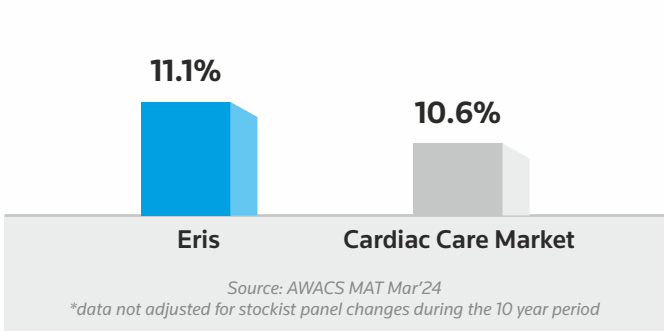
During the year, Zayo, our brand of Sacubitril + Valsartan, in the important segment of heart failure gained momentum and ramped up to garner a market share of ~4% with a market rank of #4 among generics.

On the back of strong specialist engagement, Eris is ranked #5 in terms of prescription rank among Cardiologists and #11^ in terms of revenue in the Cardiac Care space. We have five of our Top-20 mother brands – Eritel, LNBloc, Olmin, Crevast and Atorsave – in the Cardiac segment.

(Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) ^Rank in represented market

Performed in-line with the market

CAGR over FY 14 - FY 24



VMN (Vitamins, Minerals & Nutrients)

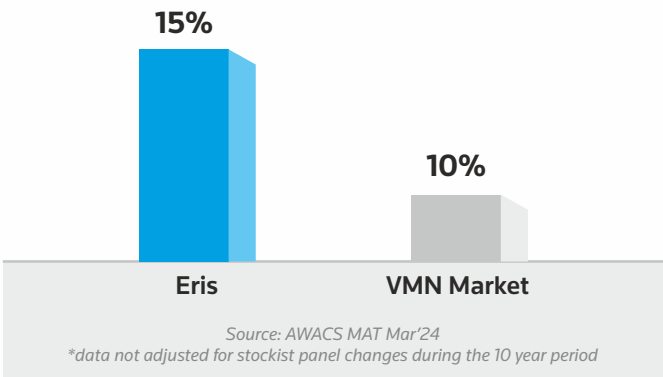
Vitamins, Minerals and Nutrients (VMN) is our 3rd largest therapy area contributing to INR 4,270 mn or 14% of our business. Over FY14 to FY24, our VMN franchise has outperformed the covered market by growing at a CAGR of 15.4%.

In FY24, our VMN franchise grew at 13.7% vs. the market growth of 4.5%. Renerate, our flagship brand grew at 4% to cross revenues of Rs. 1,600 mn. Driven by successful new introductions and line extensions, Tayo and Remylin demonstrated significant growth of 25% and ~40% respectively; slated to enter the Rs. 1,000 mn club soon.

Key new launches
Renerate PFS, Remylin PFS, Remylin Forte, Calshine SG 60K, Calshine X, Tayo Total, Tayo Soft 60K, Tayo Shots, Palmysenz, Palmi

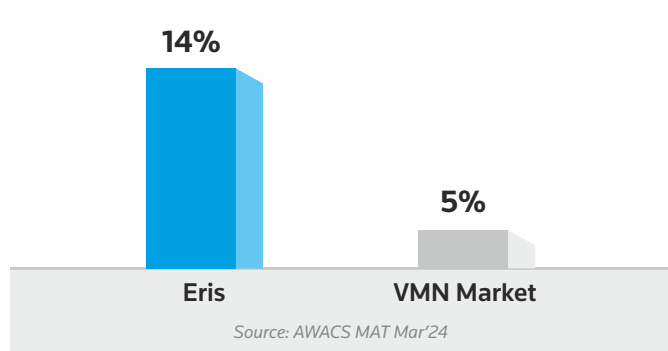
1.6x times faster growth than market

CAGR over FY 14 - FY 24



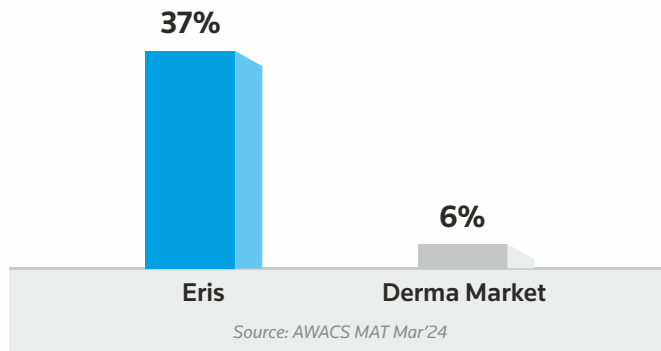
FY 24 Revenue = INR 4,270 mn

FY 24 YoY growth rate



FY 24 Revenue = INR 3,229 mn

FY 24 YoY growth rate



DERMATOLOGY

Dermatology is our 4th largest therapy area contributing to ~INR 3,230 mn or 11% of our business. The acquisition of Oaknet Healthcare marked Eris' entry into the therapy segment, followed by the acquisition of select dermatology brands from Glenmark and Dr. Reddy's during the same year. FY24 witnessed integration of these acquired businesses thereby ensuring business continuity/ growth with a significant increase in operating margins.

During the year, Eris acquired the Dermatology business of Biocon thereby providing significant impetus to Eris' Dermatology franchise and further consolidating our position in the therapy. The portfolio not only comprises of several marquee brands like Psorid, Tbis, and Picon augmenting our position in Medical Dermatology but also complements our existing portfolio especially in Psoriasis. With this, Eris is now the 2nd largest player in the Psoriasis market.

Eris is ranked #4 in terms of prescription rank among Dermatologists and #5[^] in terms of revenue in the Derma space with a 6%[^] market share.
 (Source: AWACS MAT Mar'24 | SMSRC MAT Feb'24) [^]Rank in the represented market

In FY24, while the Dermatology market grew at 6.1% yoy, Eris' portfolio grew at 36.7%.

Key new launches

Demelan LSA, Hydroheal Nova, Strandz, Strandz Boost, Crisanew, Efatop Hydra, Hydroheal Soft, Crizamont, Clearz New

WOMEN'S HEALTH

Our Women's Health segment contributed INR 1,660 mn or 6% of our business. Over FY14 to FY24, our Women's Health franchise has grown at a CAGR of 34.4% as against market growth of 11% during the same period.

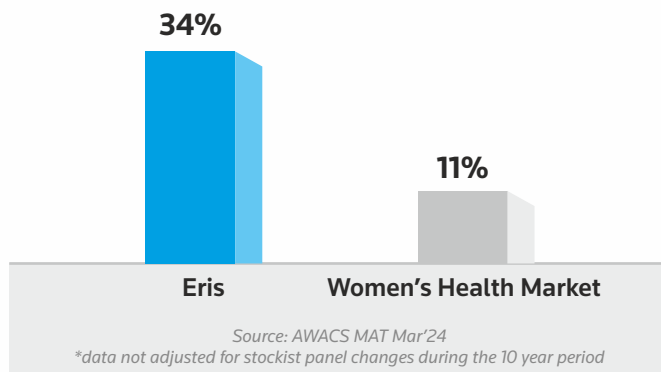
In FY24, Women's Health market grew by 7.3% yoy. Eris outperformed the market by growing at 25.6%.

Our brand Drolute (rank #8), in the fast-growing Dydrogesterone market, has clocked a revenue of ~INR 30 crore in FY 24 outperforming not only the market but also the Top-4 brands in the market with a significant margin.
 (Source: AWACS MAT Mar'24)

Key new launch - Rupactin

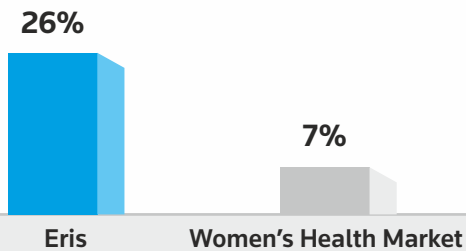
3.1x times faster growth than market

CAGR over FY 14 - FY 24



FY 24 Revenue = INR 1,660 mn

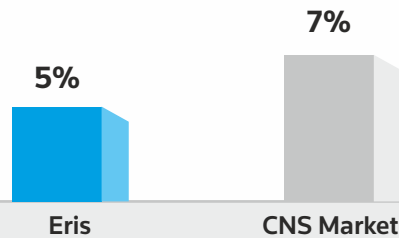
FY 24 YoY growth rate



Source: AWACS MAT Mar'24

FY 24 Revenue = INR 1,632 mn

FY 24 YoY growth rate



Source: AWACS MAT Mar'24

CNS (Central Nervous System)

Our sixth largest therapy area, CNS contributed INR 1,632 mn or 5% of our business. In FY24, Eris's CNS segment grew at ~5%. In our covered market, we stand at #4 in terms of Rx ranks. During the year, the therapy witnessed the launch of several line extensions of the existing products in the portfolio. (Source: SMSRC MAT Feb'24)

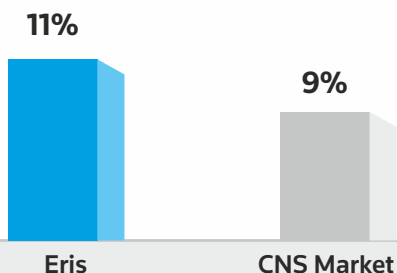
Over FY18 to FY24, our CNS franchise has grown faster than the market by growing at a CAGR of 11.2% as against a market growth of 9.1%.

Key new launches

Cirq, Cirq Plus, Revlin D, Nobix Plus, Dugo, Napq, Napq Plus

1.2x times faster growth than market

CAGR over FY 18 - FY 24



Source: AWACS MAT Mar'24

*data not adjusted for stockist panel changes during the 6 year period

ONCOLOGY

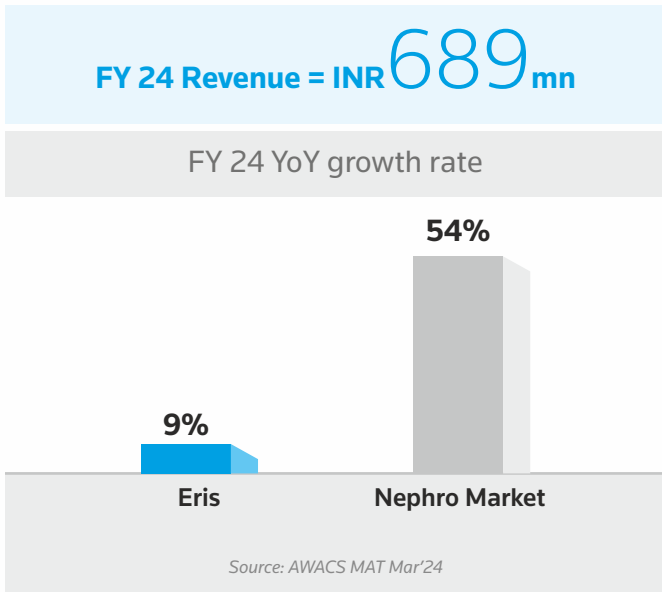
With the acquisition of Biocon's branded formulation business, Oncology becomes our 7th largest therapy, contributing ~INR 1030 mn or 3.5% to our business. The portfolio consists of three strategically important oncology molecules. It includes Power brands like Biomab (Nimotuzumab) – India's first novel MAB for head and neck cancer, Canmab and Hertraz – First Biosimilars of Trastuzumab approved in the world and Krabeva and Abevmy – Biosimilars of Bevacizumab approved for the treatment of several types of cancer.

NEPHROLOGY

Our 8th largest therapy, Nephrology contributed ~INR 690 mn or 2% of our business. The acquisition of the Biocon Nephrology business marked our entry into the segment as a logical extension of our position in the Cardiometabolic segment, given that Diabetes and Hypertension are among the key drivers of Chronic Kidney Disease (CKD).

The acquired portfolio brought to us power brands like Tacrograf and Renodapt giving us strong entry into the Organ Transplant category. The portfolio also has emerging brands like Bionesp and Erypro for treating CKD-induced Anemia. This business gives us an established base to deepen our presence in the therapy through new product launches.

In FY24, the acquired Nephrology business grew by 9% yoy.



OUR IT PLATFORM

Enabling our growth journey



Our journey towards a digitally driven future continued in FY24 with our making significant strides during the year. Our flawless implementation of SAP S4Hana Rise was undoubtedly our biggest step forward in this regard. From groundbreaking initiatives in digital health to pioneering advancements in cybersecurity, we have embarked on a riveting exploration of our relentless pursuit of technological excellence and transformation.

The future awaits, and we are poised to lead the charge into a world where innovation knows no bounds.

The Need for Transformation

The Pharma industry is fraught with multiple challenges like stringent regulatory environments, complex supply chains, and an ever-increasing demand for innovation. In this milieu, standing still equates to moving backward. Digital transformation is not merely an option; it's an imperative for survival and growth. It promises enhanced data-driven decisions, streamlined operations, and personalized patient care, propelling us from good to great.

Laying the Foundation with Gartner's Pace Layering - *Before the transformation, comes the preparation.*

Gartner's Pace Layering methodology is our blueprint. It emphasizes the need to differentiate between systems of records, systems of differentiation, and systems of innovation. Our journey began with solidifying our systems of records - the fundamental data and processes that run our business. This meant replacing our current ERP with the robust SAP S4Hana Rise, setting a stable and scalable foundation for all future digital endeavours.

Project LEAP (SAP S4Hana Rise)

Project LEAP was not just a project for; it was a technology-triggered business transformation. With SAP S4Hana Rise, we did not just upgrade our systems; we have reimagined our entire business model. This journey underscored the power of collaboration. The Project LEAP team, a blend of internally identified champions and external experts was nothing short of phenomenal. The team's expertise, commitment, and innovative spirit have been the driving force behind this transformative initiative. Solving complex problems and ensuring that the project not only stays on track but also sets new benchmarks for success internally within the organization. Project LEAP was rolled-out in the month of January 2024.

Revitalize IT - A Holistic Approach to Legacy Applications Evaluation and Modernization Initiative

We are evaluating and modernizing our legacy applications thereby streamlining the accumulated technical debt and inefficiencies resulting from years of application development. The following strategies are being implemented.

- ◆ **Retire:** Identifying applications that are no longer serving a purpose or have become obsolete due to changes in business processes or technology advancements.
- ◆ **Rebuild:** For applications that are outdated or difficult to maintain, rebuilding them using modern technologies and development practices.
- ◆ **Refactor:** Instead of completely rebuilding an application, refactoring it to improve specific aspects such as code quality, performance, or security.

- ◆ **Rehost:** This involves moving applications to a different hosting environment without making significant changes to the application itself.
- ◆ **Replatform:** Involves moving applications to a new platform or runtime environment, but with some modifications to take advantage of platform-specific features or optimizations.
- ◆ **Migrate:** If certain applications need to be moved to a different platform or environment (e.g., from on-premises to the cloud), migration can be a viable strategy.
- ◆ **Microservices:** Decompose monolithic applications into smaller, independently deployable services known as microservices.

This effort not only optimizes our IT landscape but also positions us for sustained growth and innovation in the digital era by providing cost savings, agility, scalability, reliability, licenses management and fault isolation.

OUR PEOPLE

Nurturing Talent and Building a Culture of Excellence

As we reflect on the past year, our Human resource team has been instrumental in steering Eris towards a future built on innovation, collaboration and commitment to our most valuable asset – Our People. In the dynamic landscape of the industry we operate in, our Human Resources team has been the driving force behind the cultivation of a workforce that not only adapts to change but propels Eris towards new heights. Through comprehensive training programs, and employee engagement initiatives, we strive to create an environment that fosters professional growth and personal well-being. With a strong team of over 6,500 Erisians, we remain committed to nurturing talent and building a culture of excellence.

Pratham

The year witnessed the launch of inaugural one-day virtual corporate induction program for the employees exemplifying our adaptability and commitment to ensuring a seamless onboarding experience in a digital landscape. It encompasses brief training sessions and onboarding process. The agenda is carefully crafted to maximize engagement and cover essential topics on the first day of joining. This condensed yet comprehensive induction program emphasizes our commitment to leveraging technology to facilitate effective onboarding, ensuring that our new hires feel informed, supported, and aligned with our organizational goals.

Aagman

A corporate induction program, designed to seamlessly integrate new employees into Eris' culture and operations and to acquaint new hires with the organization's ethos, policies, and procedures. Through a structured process of presentations and medical, marketing & detailing sessions, the program aims to expedite the assimilation of new team members, fostering a sense of belonging and understanding of their roles within the company.

Saksham

Over the years, Eris has made significant strides in employee development through impactful skill development workshops. Saksham, a managerial skill development program is strategically designed to empower our first line managers with the latest industry-specific skills and foster a culture of continuous learning. The program comprises of a three-day workshop covering various aspects of sales management, improving in-clinic effectiveness and includes interactive elements like case study discussion and rapid-fire quiz on science & skills.

Eris Medical Premier League

Building on the triumphs and insights garnered from our first edition of Eris Medical Premier League, we launched and hosted the second edition of this science-based quiz competition. The success was magnified by overwhelming participation of over 1,200 employees across the country and positive feedback underscoring the value of providing a platform for the employees to connect and contribute towards personal development. We look forward to building on the momentum generated by the event and continue to strengthen the bonds that makes Eris a dynamic and rewarding place to work.

Employee Well-being

In an era where the boundaries between professional and personal life are becoming increasingly blurred, the significance of placing mental wellbeing at the forefront of workplace culture has never been more pronounced. Recognizing the importance of holistic well-being, we conduct periodic mental wellness program for our employees facilitated by experienced doctors focusing on stress and anxiety management. The initiative is expected to result in a more resilient, healthier, and balanced workforce.

Employee Engagement

At Eris, we recognise that engaged and motivated employees are at the heart of our success. Throughout the year, we have championed initiatives that prioritize their engagement, satisfaction and overall well-being. Our commitment to

fostering a positive workplace culture is evident through a range of activities including but not limited to Patient Care Champions, organized team sports activities and Eris Medical Premier League and we also ensure to celebrate moments of happiness like promotions and festive occasions. Our efforts to create a workplace where employees feel valued and supported are evident in the participation of employees across various activities and the tangible success achieved throughout the year.



Looking Forward

In this year, we are excited to take forward our initiatives and undertake further advancements in our employee development programs. Our Human Resources team stands as a cornerstone of Eris' success, dedicated to nurturing talent, fostering growth, and creating an environment where every employee can thrive. As we look ahead, we do so with confidence in our collective ability to overcome challenges and build a future where our people continue to be our greatest strength.

6,521	Employees	146	Sales and Marketing
3,938	Medical Representatives*	50	Intellectual Property and Research
1,565	Field Managers	306	Others
516	Manufacturing		

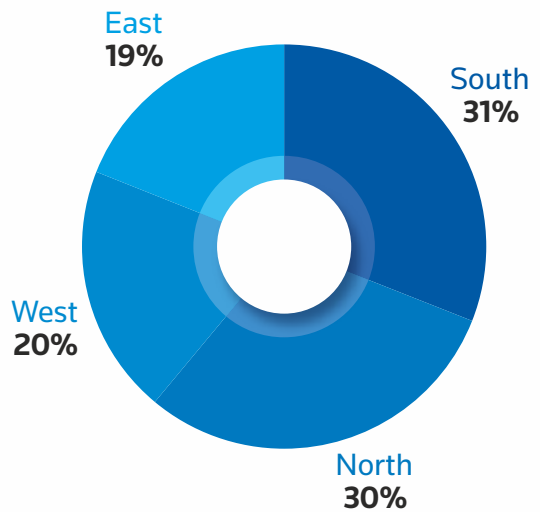
*In the Branded Formulation and Trade Generics business (Including Oaknet)
 *Excluding Swiss Parenterals employees

OUR DISTRIBUTION NETWORK

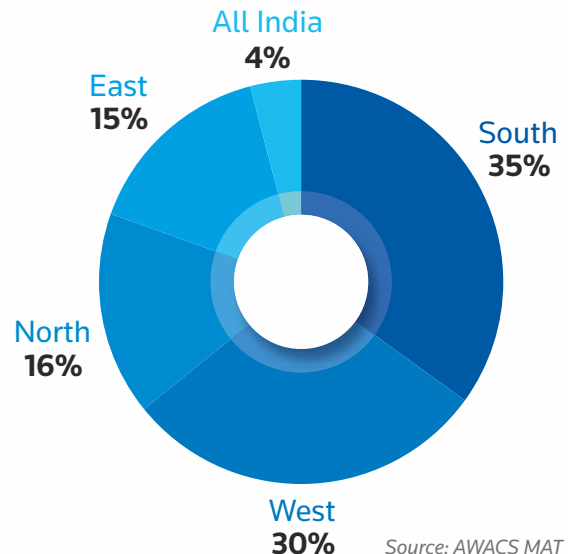
In the dynamic landscape of the pharmaceutical industry, an efficient distribution network plays a fundamental role in ensuring timely and accessible delivery of medications across the country. Through streamlined logistics, we optimize inventory management and minimise lead times. This enables us to swiftly respond to market demands and ensure uninterrupted supply to healthcare providers.

We remain focused on further optimizing the distribution network as we rapidly scale up operations in the years to come and swiftly adapt to evolving market dynamics and healthcare needs.

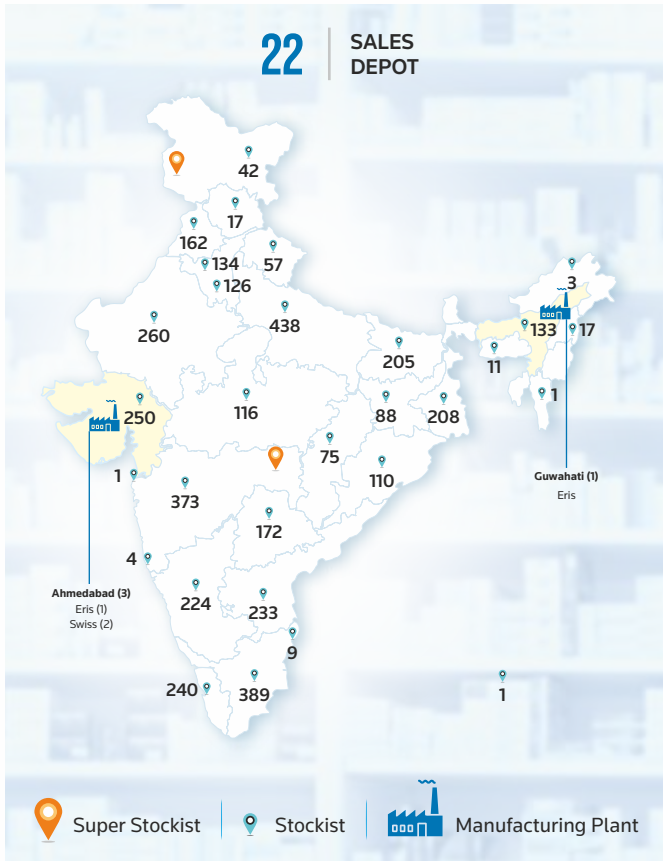
Region Wise Stockists Distribution



FY 24 Region Wise Sales Distribution



Source: AWACS MAT Mar'24



- ◆ 18% of revenues from products manufactured at Gujarat in FY 24
- ◆ 140+ products manufactured
- ◆ Physical footprint: 10x of that of Guwahati Facility
- ◆ Capacities for Oral Solid Dose, Injectables, Oral Liquids & Dermatology
- ◆ Integrated R&D Capability across Injectables and Oral Solid Dose
- ◆ WHO GMP approved

Capacity Utilization for Various Dosage Forms

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	2,160	436	20%
Capsules	240	21	9%
Oral Liquid	18	1	8%
Injectable	36	4	11%
Ointment	84	2	2%

**Installed capacity based on two shifts per day*

Guwahati Manufacturing Facility



OUR MANUFACTURING INFRASTRUCTURE

Our manufacturing infrastructure plays a pivotal role in our company's operations, serving as the backbone for efficient production processes and ensuring product quality and consistency. During the year, our WHO-GMP approved manufacturing facility at Guwahati accounted for 40% of all products sold (by value) and the new facility in Gujarat accounted for 18% of all products sold (by value). Both sites have large installed capacities to manufacture oral solid dosage forms, and the Ahmedabad site has the capacities for Topical and Injectable formulations as well. Going forward, we expect to expand into complex injectables like biologics and monoclonal antibodies, with a view to insource the manufacturing of the product portfolios acquired from Biocon, thereby strengthening our competitive advantage.

Gujarat Manufacturing Facility

During the year, the manufacturing operations at our new green field plant in Gujarat continued to ramp up. We commenced the commercial manufacturing of our Derma products in Jan 2024; these were previously outsourced.

- ◆ 40% of revenues from products manufactured at Guwahati in FY 24

- ◆ 250+ products manufactured

- ◆ 1 Lakh sq ft built-up area

- ◆ WHO GMP approved

Capacity Utilization for Prescription Products

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	1,440	690	48%
Capsules	150	53	35%
Sachets	2.4	0.8	33%
Soft Gel Tablets	216	64	29%

Capacity Utilization for Supplements and Nutraceuticals

Products	Capacity (mn units p.a.)*	Output (mn units)	Capacity Utilisation
Tablets	25	11	44%
Capsules	25	16	65%
Sachets	1.2	0.9	75%

**Installed capacity based on two shifts per day*

ENVIRONMENT AND OCCUPATIONAL SAFETY

Protecting Our Home, Protecting Our Own

During the year, we diligently pursued various initiatives at our manufacturing facility in Guwahati aimed at enhancing energy efficiencies. As a result of these efforts, we successfully saved ~26,000 units of energy per month. Some of the energy-saving measures implemented are mentioned below:

- ◆ Insulation of hot water tanks to minimize energy loss
- ◆ Through regularly planned preventive maintenance activities of systems like HVAC, plant and utility equipment energy efficiency is optimised
- ◆ Continuous monitoring of energy consumption vis-à-vis operational requirements, facilitating real-time adjustments.

At our manufacturing facility in Guwahati, we employ an effluent treatment plant utilizing a Zero Liquid Discharge (ZLD) treatment process, meticulously designed for the elimination of liquid waste from the system. The primary objective of this treatment process is to economically reduce wastewater while generating clean water suitable for reuse in gardening, cooling towers, and other utilities. Consequently, the plant effectively processed an average of ~3100 kilolitres of effluents in the last financial year. Furthermore, our rainwater harvesting system, designed to optimize the utilization of rainwater, harvested ~980 kilolitres of rainwater during the year.

We continue to enhance and refine our occupational health and safety management systems. This entails the systematic identification of hazards and risks associated with site activities, followed by the implementation of periodic risk control and mitigation measures. Specific safety protocols are in place to facilitate timely pre-emptive action for safety, resulting in an exemplary safety record with no casualties or accidents at our Guwahati manufacturing facility since its inception. Some of the key health and safety measures adopted at the plant include:

- ◆ Conducting frequent risk assessments and regular checks to ensure the safety of employees.
- ◆ Organizing medical checkups for employees
- ◆ Observance of safety week, covering all aspects of safety measures.
- ◆ Conducting periodic training on fire safety and first aid by a team of experts.

Moreover, we prioritize fostering healthy relationships and engagement with local communities. To this end, we have initiated and embraced social and community welfare undertakings spanning a wide spectrum of development activities. These community initiatives, implemented in the locality of our manufacturing plant, are done to address the immediate needs of the communities we serve.



CORPORATE SOCIAL RESPONSIBILITY

Being a Responsible Citizen



We remain steadfast in our commitment to making a positive impact on society and we will continue to strive for excellence in our CSR endeavours. Our CSR initiatives are not just a corporate obligation but a reflection of our dedication to creating a positive impact on society.

Our CSR initiatives are directed and channelised to not only train the paramedics and clinic visiting populace in life reviving measures like CPR, but also provide supportive preventive care, reduce patient care costs in deserving cases, and make accessible diagnostic medical advancements to the HCPs.

As a part of the above-mentioned efforts, the following impact has been achieved so far:

1. 25,000+ sessions of CPR trainings have been undertaken so far at a group level and 1,00,000+ persons have been trained in this simple but lifesaving reviving procedure
2. 5,00,000+ persons have availed diagnostic procedures under our "on-call" Patient Care Initiatives so far
3. Medicines of value ~INR 29 mn have been disseminated in FY24 to the HCP's with specific requests to use them to treat patients affected by ailments like anaemia, seizures, neuropathic pain, micro-nutrient deficiencies who might need this support the most
4. We have made accessible several preventive diagnostic screening tests like HBA1c, Blood Sugar-CGM, GMC, Blood Pressure, Body Mass Index, Fundus Reports and Holter.

These initiatives have helped in early and better detection of medical conditions thereby aiding patients (and HCPs) to manage their disease better. The identification of warning signs of potential illnesses before they become serious, has helped in ensuring that individuals receive the necessary medical treatment in a timely manner.

The outcomes of our CSR initiatives are a reflection of our commitment to making a positive impact beyond our core business objectives. As we look to the future, we remain committed to driving positive change and creating shared value for all stakeholders.

FINANCIAL REVIEW

Financial Highlights

Summary Consolidated Income statement

Particulars (INR million)	FY 23	FY 24	Growth %
Revenue from Operations	16,851	20,091	19.2%
Gross Profit	13,328	16,291	22.2%
EBITDA	5,367	6,748	25.7%
EBIT	4,197	4,922	17.3%
Profit Before Tax	4,046	4,312	6.6%
Profit After Tax	3,742	3,971	6.1%
Earnings per share (INR)	28.10	28.82	2.5%

Summary Standalone Income statement

Particulars (INR million)	FY 23	FY 24	Growth %
Revenue from Operations	13,307	14,867	11.7%
Gross Profit	10,943	12,065	10.3%
EBITDA	5,051	4,538	(10.2%)
EBIT	4,405	3,514	(20.2%)
Profit Before Tax	4,369	3,288	(24.7%)
Profit After Tax	3,980	2,997	(24.7%)

Revenue from Operations:

For the year under review, the Company's consolidated Revenue from Operations grew by 19.2% to INR 20,091 mn from INR 16,851 mn in FY 23. The Domestic Branded Formulations revenue grew by 18.4% to INR 19,020 mn from INR 16,060 mn in FY23.

Gross Profit:

The consolidated gross margin stood at 81% in FY24 representing a 31% growth yoy and a margin expansion of ~200 bps. We have continued to maintain an average consolidated gross margin of 81% over the last 5 years despite nearly doubling our turnover. With a gradual uptick in the scale of insourcing manufacturing operations (of the portfolios acquired in FY23 and FY24), we expect further upside in gross margins going forward.

Employee Expenses:

The consolidated employee expenses in FY24 were INR 404 crores, up 17% yoy in FY24 as the key leadership and entire field force of Biocon’s Nephrology and Dermatology business units (acquired in Nov ’23) were transitioned to Eris.

Other Expenses:

Other Expenses were up by 22% on account of the full first-year operating expenses of our Ahmedabad manufacturing facility and a series of one-time expenses incurred in Q4. Adjusting for these items, the increase in Other Expenses on a like to like basis stood at 14%.

Depreciation and Amortisation:

Consolidated Depreciation increased from INR 344 mn in FY23 to INR 570 mn in FY24. Amortisation increased from INR 827 mn in FY23 to INR 1,256 mn in FY24, owing to addition of acquisition related intangible expenses during the year.

Finance Expenses and Other Income:

Consolidated Finance Cost increased from INR 262 mn in FY23 to INR 848 mn in FY24 on account of increased borrowing pertaining to the deals consummated in the last two financial years. Consolidated Other Income increased from INR 112 mn in FY23 to INR 238 mn in FY24.

Earnings before Depreciation, Amortisation, Interest and Taxes (EBITDA):

Consolidated EBITDA stood at INR 6,748 mn, representing a 33.6% margin and expansion of 174 bps over last year. Domestic Branded Formulations EBITDA margin expanded from 33.5% in FY23 to 34.5% in FY24; an increase of ~100 bps driven by (i) margin expansion in our Dermatology segment (Oaknet, Glenmark and Reddy’s acquisitions) from 27% in FY23 to 35% in FY24 and (ii) reduction in Eris MJ EBITDA burn from INR (201) mn in FY23 to INR (80) mn in FY24. This EBITDA burn has reached near breakeven to stand at INR (12) mn in Q4 FY24.

Tax Expenses:

Our effective tax rate marginally increased to 7.9% in FY24 from 7.5% in FY23 as we continued to enjoy tax exemption at our Guwahati manufacturing facility. Manufacturing at Guwahati and Ahmedabad sites accounted for 58% of our Domestic Branded Formulations Revenue in FY24.

Profit After Tax (PAT):

Consolidated Profit after Tax for the year at INR 3,971 mn with PAT margin of 19.8% and yoy growth of 6%.

Debt:

We completed two acquisitions in FY24 with a combined deal value of INR 10,035 mn. In November 2023, we acquired Biocon’s Nephrology and Dermatology businesses for INR 3,660 mn which was partly funded by borrowings and in February 2024 we acquired a 51% equity stake in Swiss Parenterals Ltd for INR 6,375 mn. This acquisition was

financed through borrowings. Our net debt as on 31st Mar 2024 stood at ~INR 27,000 mn and we are targeting significant prepayment of debt in FY25 and FY26.

Operating Cashflow:

Our consolidated Operating cashflow (OCF) to EBITDA ratio in FY 24 stood at 72%. We have maintained an average OCF to EBITDA ratio of 75% for 8 years now - from FY17 through to FY24.

Working Capital:

Our core working capital (inventory, debtors and payables) on a consolidated basis stood at 62 days of operating revenue. Our Debtor turnover days in the consolidated operations increased from 63 days of operating revenue in FY23 to 77 days of operating revenue in FY24 due to the addition of new business segments through acquisitions.

Key Financial Ratios – Consolidated

Ratio	FY 23	FY 24	Variance
Profitability Margin ratios			
Gross Margin	79.1%	81.1%	199 bps
EBITDA Margin	31.9%	33.6%	174 bps
EBIT Margin	24.9%	24.5%	(40) bps
PAT Margin	22.2%	19.8%	(244) bps
Return ratios			
Return on Capital Employed (ex treasury investments and cash & cash equivalents)	20.0%	11.0%	(900) bps
Return on Net Worth (RoE) (ex treasury investments and cash & cash equivalents)	22.0%	20.2%	(182) bps
Working capital ratios			
Net Working Capital days	50	-296	(686.9%)
Debtors days	63	77	20.9%
Inventory days	28	34	20.6%
Gearing ratios			
Interest coverage ratio	16	6	(63.8%)
Debt/Equity ratio	0.7	1.5	127.1%
Liquidity ratios			
Current ratio	1.7	0.9	(47.3%)
Current Assets	7,647	23,021	201.0%
Current Liabilities	4,432	25,321	471.3%

Key Financial Ratios – Standalone

Ratio	FY 23	FY 24	Variance
Profitability Margin ratios			
Gross Margin	82.2%	81.2%	(108) bps
EBITDA Margin	38.0%	30.5%	(743) bps
EBIT Margin	33.1%	23.6%	(946) bps
PAT Margin	29.9%	20.2%	(975) bps
Return ratio			
Return on Capital Employed (ex treasury investments and cash & cash equivalents)	34.9%	19.3%	(1550) bps
Working capital ratios			
Net Working Capital days	52	-413	(889.7%)
Debtors days	63	59	(6.3%)
Inventory days	17	22	28.8%
Gearing ratios			
Interest coverage ratio	21	6	(71.1%)
Debt/Equity ratio	0.3	1.1	342.8%
Liquidity ratios			
Current ratio	1.9	0.8	(57.4%)
Current Assets	5,521	18,766	239.9%
Current Liabilities	2,838	22,618	697.0%

Internal Financial Control

At Eris Lifesciences Ltd, we view robust internal controls as foundational to effective governance, ensuring that actions align with our business plans within a structured framework of checks and balances. Our commitment is to maintain an internal controls environment tailored to the size and complexity of our operations, ensuring compliance with internal policies, laws, and regulations, while ensuring the reliability and accuracy of our records.

We prioritize operational efficiency, resource protection, and risk minimization through a comprehensive framework of policies, procedures, and systems. This framework enhances the efficiency and effectiveness of our operations, reduces risks and costs, and improves decision-making and accountability. Our internal financial controls framework, integrated within this system, ensures the reliability and accuracy of our financial reporting and preparation of

financial statements in accordance with generally accepted accounting principles.

The recent transition to SAP S4HANA underscores our commitment to continuously enhance our internal controls for long-term process maturity and business success. Stakeholder trust is pivotal, and ongoing evaluations reaffirm the effectiveness of our controls. Overall, our internal controls provide a significant level of assurance, mitigating operational risks and ensuring efficient processes.

Risk and Risk Mitigation

In recognition of the complex challenges inherent in the pharmaceutical sector, Eris Lifesciences Ltd has instituted a dedicated Risk Management Committee. This committee rigorously assesses and mitigates strategic, operational, compliance, and financial risks. Through comprehensive risk assessments, tailored mitigation plans, and ongoing monitoring mechanisms, we ensure proactive risk management across the organization. Internal auditors provide valuable insights, while strategic initiatives and prudent investments bolster our proactive stance. Continuous monitoring and assessment, coupled with comprehensive insurance coverage, safeguard shareholder value, and uphold our reputation for long-term success.

Outlook

STRENGTHS AND OPPORTUNITIES

Strong brands: The Company continues to focus on maintaining the strength of its brand portfolio; the Top 25 Mother Brands contribute ~ 70% of its Branded Formulations revenue. With 18 out of these 20 brands being ranked among the Top-5 in their respective segments, they are well poised for strong future growth. The Company has 6 mother brands with revenues of Rs. 100+ crore p.a. and 11 mother brands with revenues of Rs. 50 – 100 crore p.a. 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 ranking among super specialists:

Diabetologists	4 th
Cardiologists	5 th
Dermatologists	4 th
Neurologists	4 th
Gynecologists	8 th
Consulting Physicians	7 th

(Source: SMSRC MAT Feb’24)

Expansion in Emerging Specialties: The company derives 40% of Branded Formulations revenue from seven emerging specialties of Dermatology, Insulins, Women's Health, CNS, Oncology, Critical Care and Nephrology, giving us significant headroom for disruptive growth in these segments

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 demonstrated over the last 3 years with Top-5 market positions in several molecules.

New business segments: The acquisition of Swiss Parenterals Ltd. and Biocon's domestic branded formulations business will provide a strong launch platform to make deeper inroads in the Indian Injectables market. Leveraging Swiss Parenterals' distribution presence in the semi-regulated markets will enable Eris to launch and build Oral Solid Dosage business in these markets thereby expanding our presence in new addressable markets.

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 and cashflows: 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 facilities in Guwahati, Assam and Ahmedabad, Gujarat accounted for 58% of Domestic Branded Formulations revenue in FY24. FY24 being the first year of operations for Ahmedabad plant, the capacity utilisation was less than 20%. The installed capacity will provide significant operating leverage benefit to the Company in FY25 and FY26 as sales of the products manufactured from the facility increases and new products are brought in-house for manufacturing.

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 2024, 17% of the Company's revenue were from drugs scheduled in the NLEM (vs. 20% 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.

SECRETARIAL AUDITORS

M/s Ravi Kapoor & Associates

DEBENTURE TRUSTEE

M/s. Axis Trustee Services Limited

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 Aventus 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 25 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 33+ 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. An internationally recognised lawyer, Ms Unadkat specializes in corporate, and M&A laws, bringing a global perspective to her practice. She is a qualified Solicitor registered with the Bombay Incorporated Law Society and the Law Society of England & Wales. With over two decades of legal experience, she is a strategic adviser to clients and boards, with a focus on board effectiveness, corporate governance, leadership, organisational climate, and decision-making and is particularly recognised for her expertise in M&A.



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 38 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 18th Annual Report (8th Post – IPO) on the business and operations of the Company together with the Audited Financial Statements for the financial year ended on March 31, 2024.

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, 2024	Financial Year ended on March 31, 2023	Financial Year ended on March 31, 2024	Financial Year ended on March 31, 2023
Revenue from Operations	14,867.06	13,307.25	20,091.43	16,851.49
Other Income	348.28	172.64	238.15	111.53
Total Revenue	15,215.34	13,479.89	20,329.58	16,963.02
Operating EBITDA	4,538.14	5,051.14	6,748.30	5,367.46
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	4,886.42	5,223.78	6,986.45	5,478.99
Less: Depreciation/ Amortisation/ Impairment	(1,023.89)	(646.57)	(1,826.05)	(1,170.88)
Profit /loss before Finance Costs, Exceptional items and Tax Expense	3,862.53	4,577.21	5,160.40	4,308.11
Less: Finance Costs	(574.20)	(208.10)	(848.01)	(261.68)
Profit /loss before Exceptional items and Tax Expense	3,288.33	4,369.11	4,312.39	4,046.43
Add/(less): Exceptional items	0	0	0	0
Profit/(Loss) before taxation	3,288.33	4,369.11	4,312.39	4,046.43
Less : Tax Expenses (Current & Deferred)	(291.21)	(389.03)	(341.85)	(304.83)
Profit /loss for the year	2,997.12	3,980.08	3,970.54	3,741.60
Profit after tax before share of profit/(loss) of minority interest	2,997.12	3,980.08	3,970.54	3,741.60
Share of profit/(loss) attributable to Minority Interest	0	0	50.71	(79.98)
Profit for the year attributable to the shareholders of the company	2,997.12	3,980.08	3,919.83	3,821.58
Other Comprehensive Income/(Loss)	(27.58)	(1.49)	(30.51)	(0.59)
Total Comprehensive Income/Loss	2,969.54	3,978.59	3,940.03	3,742.19
Owners of the company	2,969.54	3,978.59	3,889.32	3,822.17
Add : Balance B/F from the previous year	21,902.06	18,922.78	21,559.30	18,736.53
Less: Transfer to Debenture Redemption Reserve, If any	0	0	0	0

(Rs. In Million)				
Particulars	Standalone		Consolidated	
	Financial Year ended on March 31, 2024	Financial Year ended on March 31, 2023	Financial Year ended on March 31, 2024	Financial Year ended on March 31, 2023
Less: Transfer to Reserves	0	0	0	0
Less: Interim dividend	0	(999.40)	0	(999.40)
Less: Utilised for buy back of shares	0	0	0	0
Less: Change in Non-controlling interest / Transfer due to merger	0	0	0	0
Balance Profit / (Loss) C/F to the next year	24,871.60	21,902.06	25,448.62	21,559.30

2. STATE OF AFFAIRS (standalone):

- The gross sales and other incomes for the financial year under review were Rs. 15,215.34 million as against Rs. 13,479.89 million in the previous year, recording a growth of 12.87%
- The profit before tax was Rs. 3,288.33 million for the financial year under review as against Rs. 4,369.11 million for the previous financial year, registering a decrease of 24.74%
- The profit after tax for the financial year under review was Rs. 2,997.12 million as against Rs. 3,980.08 million for the previous financial year, registering a decrease of 24.70%.

3. DIVIDEND:

After taking into consideration the consolidation plans of the Company, the Board of Directors of your Company have thought it prudent to not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2024. During the previous year, the Company had paid an interim dividend of Rs. 7.35 per equity share (at the rate of 735%), with no final dividend.

DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy of your Company aims at striking the right balance between the quantum of dividend paid to its Shareholders and the amount of profits retained for its business requirements, present and future. The Policy intends to broadly specify various external and internal factors that shall be considered while declaring dividend, the circumstances under which the Shareholders of the Company may or may not expect dividend, the financial parameters that shall be considered while declaring dividend and the parameters that shall be adopted with regard to various classes of shares.

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, 2024, the gross fixed assets (tangible and intangible) stood at Rs. 18,111.94 million (previous year Rs. 10,948.41 million) and the net fixed assets (tangible and intangible), at Rs. 15,155.55 million (previous year Rs. 8,978.13 million).

Capital expenditure during the financial year under review amounted to Rs. 3,490.45 million (previous year Rs. 3,112.65 million).

During the financial year under review, the Company has paid cash consideration of Rs. 2,000 million as a part consideration towards acquisition of Swiss Parenterals Limited (previous year 6,554.90 million for acquisition of Eris Oaknet Healthcare Private Limited).

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 18,332 equity shares to its employees under the “Eris Lifesciences Employee Stock Option Plan 2017” and 17,710 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. 13,59,92,238/- (divided into 13,59,92,238 equity shares of Re. 1/- each) to Rs. 13,60,28,280/- (divided into 13,60,28,280 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.

During the financial year under review, the Company had issued 43,750 8% Secured Redeemable Non-Convertible Debentures of Rs. 4,375 million towards part consideration for acquisition of Swiss Parenterals Limited.

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, 2024, 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 2023-24. The Cost Audit Report, for the year ended March 31, 2023, 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 2024-25.

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 2024-25 has been included in the Notice of the forthcoming 18th 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 2024-25.

The Secretarial Auditor of the Company and its material subsidiaries have carried out the Secretarial Audit for their respective entities and their reports in Form MR-3, for the financial year 2023-24, 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, 2024, 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, 2024, the Company has (4) four wholly owned subsidiaries and (2) two subsidiaries and (1) one step down subsidiary. As per the provisions of the Companies Act, 2013, there are no associate or joint venture companies of the Company. The Company acquired 51% stake in Swiss Parenterals Limited at the company valuation of Rs. ~6375 million through judicious mix of internal accruals and borrowings during the financial year 2023-24.

During the financial year under review, the Company with an intent to bring synergy in the operations within the group and to harness the advantages of scales at which the Company operates had merged the operations of Eris Oaknet Healthcare Private Limited, wholly owned subsidiary by transferring its predominant sources of revenue and associated cost centres to Eris Lifesciences Limited.

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 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, 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, 2024, 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 18th 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, 2024, 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 ('MDA') for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section which forms a part of this 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, no changes occurred in the constitution of the Board of Directors of the Company.

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 2023-24.

Re-appointment / Appointment

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Inderjeet Singh Negi (DIN: 01255388) retires by rotation at the forthcoming 18th 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 18th 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
- Risk Management Committee
- Executive 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 18th 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 2023-24. 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:

Except as mentioned below, there were no material changes and commitments that occurred between the end of the financial year to which the financial statements relate and the date of this Report:

- The Company acquired additional 19% stake in Swiss Parenterals Limited by acquiring the shares from its Promoters on April 18, 2024. The said transaction was approved in the Board Meeting dated March 14, 2024. The consideration for the share purchase was completed on June 10, 2024, finalizing the transaction.
- The Company on June 07, 2024, has issued listed, rated, unsecured, redeemable Non-Convertible Debentures amounting up to Rs. 1250,00,00,000/- having face value of Rs. 1,00,000/- and its multiples thereof in two separately transferable and redeemable principal parts ("STRPP") being
 - (i) 62,500 unsecured, redeemable, listed, non-convertible debentures of INR 1,00,000 each aggregating up to Rs. 625,00,00,000 with a tenor of 913 days i.e. maturity date on December 7, 2026 ("STRPP I") and;
 - (ii) 62,500 unsecured, redeemable, listed, non-convertible debentures of INR 1,00,000 each aggregating up to Rs. 625,00,00,000 with a tenor of 1095 days i.e. maturity date of June 7, 2027 ("STRPP II").
- On August 02, 2024, the Board of Directors of the Company approved the composite scheme of arrangement u/s 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013, amongst Eris Lifesciences Limited and Eris Oaknet Healthcare Private Limited and their respective Shareholders and Creditors.
- On August 2, 2024, the Board of Directors of the Company also approved the acquisition of 100% shares of Chemman Labs Private Limited as per the terms and conditions mentioned in the Binding Term Sheet. The completion of this acquisition is proposed to take place on or before September 30, 2024.

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 financial 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) Rules, 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 02, 2024
Place: Ahmedabad

Form No. MR- 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

[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, 2024 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, 2024 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 02, 2024

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F0025587F000880332

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 02, 2024

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in practice
FCS No.: 2587
C P No.: 2407
UDIN: F0025587F000880332

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

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

To,
The Members,
Swiss Parenterals Limited,
Office No. 62, 6th Floor, Titanium,
Corporate Road, Prahladnagar,
Ahmedabad-380015.

Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Swiss Parenterals Limited (Corporate Identification Number: U85110GJ1997PLC031645) (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 mine opinion thereon.

Based on verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 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

I 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, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not Applicable to the Company during the Audit Period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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; **(Not Applicable to the Company during the Audit Period)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (up to 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018); **(Not Applicable to the Company during the Audit Period)**

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August, 2021); **(Not Applicable to the Company during the Audit Period)**.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 9th August, 2021); **(Not Applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018); **(Not Applicable to the Company during the Audit Period)**
- (vi) I have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.
- (vii) As declared by the Management, at present there is no law which is specifically applicable to the Company
- I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards 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.

I further report that:

There were certain forms which were filed after the due date of filing the forms.

The Company has complied with all the provisions and rules of buy back for 17,89,726 Equity Shares which was duly approved by the Shareholders of the Company in the Extra Ordinary General Meeting held on 29th January, 2024.

The Company has complied with all the provisions/rules/regulations relating to Share Purchase and Shareholders' Agreement with Eris Lifesciences Limited for sale of stake.

I further report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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.

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.

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 further report that during the Audit period the Company has no specific events/actions having a major bearing on the Companies Affairs in pursuant of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

Place: Ahmedabad
Date: July 30, 2024

For, Rohit Periwal & Associates
Company Secretaries

Rohit Periwal
Proprietor
FCS No.: 12203
C.P. No.: 22021
Peer Review No. 2202/2022
UDIN: F012203F000854187

To,
The Members,
Swiss Parenterals Limited,
Office No. 62, 6th Floor, Titanium,
Corporate Road, Prahladnagar,
Ahmedabad-380015.

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 the financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was 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 efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad

Date: July 30, 2024

**For, Rohit Periwal & Associates
Company Secretaries**

Rohit Periwal

Proprietor

FCS No.: 12203

C.P. No.: 22021

Peer Review No. 2202/2022

UDIN: F012203F000854187

**Form No. MR-3 SECRETARIAL AUDIT REPORT
For The Financial Year Ended on 31st March, 2024**

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

To,
The Members,
ERIS OAKNET HEALTHCARE PRIVATE LIMITED
8th Floor Commerce House IV,
besides Shell Petrol Pump
100 Feet Road, Prahladnagar,
Ahmedabad 380015,
Gujarat

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, 2024** (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, 2024 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.** The Company is 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).
- 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, there were no changes made to the Share capital of the Company and 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 has not made any alterations to the Article of Association of the Company.

- f) During the period, the Company has obtained the approval of the Regional Director (“RD”) for shifting of Registered office of the Company from State of Maharashtra to State of Gujarat vide Order dated 28th July, 2023 and made alterations to the Situation clause of the Memorandum of Association of the Company.
- g) During the previous financial 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. As at 31st March 2024, there was no change in the Debentures.
- h) 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.
- i) During the period, the Company has transferred the trademarks previously acquired by it from Glenmark Pharmaceuticals Limited to its Holding Company, Eris Lifesciences Limited on 03rd July, 2023.
- j) During the period, the Company had granted loans pursuant to Section 185 and Section 186 of the Companies Act, 2013 to M/s. Eris Lifesciences Ltd, the Holding Company and the amount outstanding as at 31st March 2024 aggregates to Rs. 270 Million.
- k) 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 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: August 02, 2024

Vijayalakshmi K
Membership No.: A 23320
C.P. No.: 12066
UDIN: A023320F000877272

ANNEXURE – A

To,
The Members,
ERIS OAKNET HEALTHCARE PRIVATE LIMITED
8th Floor Commerce House IV,
besides Shell Petrol Pump
100 Feet Road, Prahladnagar,
Ahmedabad 380015,
Gujarat

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: August 02, 2024

Vijayalakshmi K
Membership No.: A 23320
C.P. No.: 12066
UDIN: A023320F000877272

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.
- 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.

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	2023-24	2022-23
1	Foreign Exchange Earnings	-	-
2	Foreign Exchange Outgo	22.97	5327

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, August 02, 2024

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)	Swiss Parenterals 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	15.02.2024
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.	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.	N.A.
Share capital	95.12	13.72	2.58	0.10	0.10	1,840.52	55.82
Reserves & surplus	510.63	62.91	1,576.92	-238.34	-0.30	-1,271.49	1,777.52
Total assets	1,059.68	578.85	5,492.24	270.10	0.06	770.486	3,053.01
Total Liabilities	253.93	502.22	3,912.74	478.34	0.26	137.16	1,219.65
Investments	30.02	-	-	30.09	-	-	50.00
Turnover	129.01	143.58	1,245.30	158.00	-	80.18	552.72
Profit before taxation	37.57	-31.87	293.13	-9.28	-0.02	-1.88	229.83
Provision for taxation	13.46	-	-42.83	-	-	-	33.40
Profit after taxation	24.11	-31.87	335.96	-9.28	-0.02	-1.88	196.43
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100.00	70.00	100.00	100.00	76 by EHPL	100.00	51.00

Notes:

- Names of subsidiaries which are yet to commence operations: NA
- 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

Ahmedabad, August 02, 2024

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, 2024, 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	1	0

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	2023-24	~77.29 (available for set-off from financial year 2021-22) ~ 0.29 (available for set-off from financial year 2020-21)	The Company has set-off Rs. 77.29 Million from the excess amount available from financial year 2021-22 during the financial year 2023-24.
2	2022-23	~129.65 (available for set-off from financial year 2021-22) ~ 0.29 (available for set-off from 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.
3	2021-22	~ 0.29 (available for set-off from financial year 2020-21)	No amount was utilized by the Company during the Financial Year 2021-22, and the excess amount spent by the Company in that financial year was carried forward.
Total		~77.58	

Note: The total CSR obligation of the Company for the financial year 2023-24 was ₹83.65 million of which the Company has adjusted ₹77.29 million against the excess expenditure incurred by the Company during the financial year 2021-22 and spent ₹6.56 million during the current financial year.

Except for the excess amount of ₹0.20 million incurred in the financial year under review, there is no excess amount remaining with the Company to offset against CSR requirements in the succeeding financial years.

6. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS (Section 135(5)):

Rs. 4182.49 million.

7. PRESCRIBED CSR EXPENDITURE :

Rs. 83.65 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. 83.65 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. 77.29 Million
- (d) Total CSR obligation for the financial year (a+b-c): Rs. 6.36 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
6.56	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)	
Sl. 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	India		5.42	Yes	-	-
2.	Promoting Education of Underprivileged	Education (Schedule VII(ii))	Yes	India		1.14	Yes	-	-
Total						6.56			

Amount spent in Administrative Overheads: Not Applicable

Amount spent on Impact Assessment, if applicable: Not Applicable

Total amount spent for the Financial Year: Rs. 6.56 Million

Excess amount for set-off for the Financial Year, if any: Rs. ~0.20 Million

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
Ahmedabad, August 02, 2024

Inderjeet Singh Negi
DIN: 01255388
Chairperson, CSR Committee
Ahmedabad, August 02, 2024

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 of 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, 2024, 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, 2024, the Board met 6 (Six) times on May 17, 2023, August 07, 2023, November 08, 2023, February 13, 2024, March 06, 2024, and March 14, 2024.

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	5	Yes	2	0	1
Mr. Kaushal Shah (DIN: 01229038)	Promoter, Executive and Whole-time Director	5	Yes	5	0	0
Mr. Krishnakumar Vaidyanathan (DIN: 08976508)	Executive and Whole-time Director	5	Yes	3	0	1
Mr. Sujesh Vasudevan (DIN: 08240092)	Non-Executive and Independent Director	5	Yes	2	0	2
Mr. Prashant Gupta (DIN:08122641)	Non-Executive and Independent Director	3	Yes	0	0	1
Mr. Rajeev Dalal (DIN: 00222650)	Non-Executive and Independent Director	6	Yes	4	2	2
Ms. Kalpana Unadkat (DIN: 02490816)	Non-Executive and Independent Director	4	Yes	2	0	5

[^] 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, there were no changes in the composition of the Board of Directors of the Company.

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)	Chairperson and Non-Executive - Independent Director	Entero Healthcare Solutions Limited
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 was 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, 2024, 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, 2024.

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, 2024, 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 17, 2023, August 07, 2023, November 08, 2023, February 13, 2024, and March 14, 2024. 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	5
2	Ms. Kalpana Unadkat	Member Non-Executive Independent Director	4
3	Mr. Prashant Gupta	Member Non-Executive Independent Director	3
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 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, 2024, 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 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 February 13, 2024.

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 Whole Time Director	1

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
6	6	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, 2024, comprising of 3 (Three) Non-Executive Independent Directors of the Company.

The Committee carries out functions enumerated in the SEBI Listing Regulations. During the financial year under review the Nomination and Remuneration Committee duly met only once on February 10, 2024.

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	Ms. Kalpana Unadkat	Chairperson Non-Executive Independent Director	1
2	Mr. Rajeev Dalal	Member Non-Executive Independent Director	1
3	Mr. Prashant Gupta	Member Non-Executive Independent Director	1

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, 2024, 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 August 07, 2023.

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	0
4	Mr. Rajeev Dalal	Member Non-Executive Independent Director	1

The Company has spent Rs. 6.56 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, 2024, the Executive Committee comprises of 4 (four) members, all being Executive Directors. During the financial year under review, the Executive Committee Executive Committee has conducted eleven meetings on April 10, 2023, April 27, 2023, June 12, 2023, July 07, 2023, August 24, 2023, November 01, 2023, December 22, 2023, February 02, 2024, February 15, 2024, March 07, 2024, and March 13, 2024.

The Composition as on March 31, 2024, of the Executive Committee are as follows:

Sr. No.	Name of the Director	Designation in relation to membership of the committee	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 including by way of issuance of Non-Convertible Securities, inter alia, Non-Convertible Debentures, Commercial Papers, or similar instruments, in terms of Section 179(3)(c)&(d) of the Act read with the first proviso thereto not exceeding an amount of INR 1250 crores (Indian National Rupees One Thousand Two Hundred and Fifty Crores only) at any single instance.
- 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 (Indian National 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, 2024, 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 financial year under review, the Committee has conducted 2 (Two) Meetings on May 31, 2023, and November 27, 2023.

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.

9. SENIOR MANAGEMENT

There are no changes in senior management during the financial year under review. As on the date of this Report, the particulars of senior management are as follows:

Name	Designation
Mr. Krishnakumar Vaidyanathan	Executive Director & Chief Operating Officer
Mr. Sachin Shah	Chief Financial Officer
Mr. Milind Talegaonkar	Company Secretary and Compliance Officer

10. 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 08, 2024, 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.

11. 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;

Name of Director	Amount of commission paid	Amount of sitting fees paid
Mr. Prashant Gupta	36,00,000	5,25,000
Mr. Rajeev Dalal	36,00,000	10,50,000
Ms. Kalpana Unadkat	36,06,042	9,00,000
Mr. Sujesh Vasudevan	36,00,000	4,50,000

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 61,817 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.

12. 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
15 th	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	<ul style="list-style-type: none"> • 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)
16 th	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	<ul style="list-style-type: none"> • Re-appointment of Mr. Prashant Gupta as an Independent Director of the Company. • Appointment Mr. Sujesh Vasudevan as an Independent Director of the Company.
17 th	2022-23	Monday, September 25, 2023 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	<ul style="list-style-type: none"> • 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

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.

13. 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/>.

14. GENERAL SHAREHOLDER INFORMATION:

(i)	Annual General Meeting Day, Date, Time and Venue	Day : Wednesday Date: September 25, 2024 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	1 st April, 2023 to 31 st March, 2024
(iii)	Debenture Trustee	Axis Trustee Services Limited Address: Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai, Maharashtra-400025 Contact Person: Mr. Dhruva Bora Email Address: debenturetrstee@axistrustee.in Tel. No.: 022 62300451
(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
(viii)	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 2023-24 and Proposed Auditors for the FY 2024 – 2025	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 2023-24 has been duly paid to the stock exchanges.

Market price data of the Company:

Month	BSE Limited		National Stock Exchange of India Limited	
	Month's High Price	Month's low Price	Month's High Price	Month's low Price
Apr-23	643.25	565.00	648.00	575.00
May-23	645.00	605.20	646.75	605.00
Jun-23	718.40	634.15	719.40	634.15
Jul-23	798.70	683.20	798.70	682.85
Aug-23	924.00	785.05	880.00	786.10
Sep-23	925.00	791.55	927.95	792.35
Oct-23	925.00	800.05	924.80	804.00
Nov-23	971.00	853.55	971.90	852.55
Dec-23	946.95	846.75	949.65	847.15
Jan-24	943.75	861.55	940.05	867.00
Feb-24	960.90	842.05	962.90	846.35
Mar-24	940.75	810.10	934.55	809.15

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, 2024):

Distribution of Shares	No of Share Holders	Percentage to Total No. of Shareholders	No of Shares Held	Percentage to Total Share Capital
1 – 500	51,195	97.8273	18,79,318	1.3816
501 – 1000	512	0.9784	3,82,291	0.2810
1001 – 2000	237	0.4529	3,45,977	0.2543
2001 – 3000	78	0.1490	1,98,990	0.1463
3001 – 4000	36	0.0688	1,26,561	0.0930
4001 – 5000	29	0.0554	1,37,032	0.1007
5001 – 10000	69	0.1319	5,23,187	0.3846
Above 10001	176	0.3363	13,24,34,924	97.3584
Grand Total	52,332	100	13,60,28,280	100

Shareholding Pattern:

CATEGORY WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2024:

Sr. No.	Category	No. of Shares Held	% of Holding
1	Promoter & Promoter Group	7,46,83,744	54.9
	Indian	7,46,83,744	54.9
	Foreign	0	0
2	Public	6,13,44,536	45.1
	Institutions	4,06,78,060	29.9
	Central Government/ State Government(s)/President of India	0	0
	Non-Institutions	2,06,66,476	15.19
3	Non Promoter – Non Public	0	0
	Custodian/DR Holder	0	0
	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0
Total (1+2+3)		13,60,28,280	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 of the Company have been dematerialised by investors as on March 31, 2024. 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.

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, 2024, 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:

The credit ratings of the Company during the financial year under review and up to the date of this report are as follows:

Instrument Type	Rating assigned along with Outlook/ Watch	Rating Action
Issuer rating	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Non-convertible debentures (“NCDs”)*	IND AA-/Positive	Assigned
Commercial papers (“CPs”)#	IND A1+	Affirmed
Term loans	IND AA-/Positive	Outlook revised to Positive from Stable Rating affirmed
Fund-based working capital facilities	IND AA-/Positive/IND A1+	Outlook revised to Positive from Stable Rating affirmed

*The NCDs were issued by the Company on June 07, 2024.

#The redemption of CPs were made by the Company on June 11, 2024.

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 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	Deloitte Haskins & Sells LLP
Swiss Parenterals Limited	Date of Incorporation: February 04, 1997. Place of Incorporation: Ahmedabad	RRS & Associates

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 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.

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 2023-24.

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 2023-24.

Place: Ahmedabad
Date: August 02, 2024

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.

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 – 380054 (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, 2024 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 the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our 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: August 02, 2024

Place: Ahmedabad

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
CP No. 2407
UDIN: F002587F000880398

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 31st March, 2024 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
Date: August 02, 2024

Amit Bakshi
Chairperson & Managing Director
DIN: 01250925

Sachin Shah
Chief Financial Officer

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, 2024 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, 2023 to 31st March, 2024. 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 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: August 02, 2024
Place: Ahmedabad

Ravi Kapoor & Associates

Ravi Kapoor
Proprietor
Mem. No FCS. 2587
COP No.: 2407
UDIN: F002587F000880442

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: L24232GJ2007PLCO49867

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 2023-2024.

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, 2024, is Rs. 22.01 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, 2024	
	a. Number of options outstanding at the beginning of the period	47,016
	b. Number of options granted during the year	Nil
	c. Number of options forfeited/ lapsed during the year	6,694
	d. Number of option vested during the year	0
	e. Number of options exercised during the year	18,332
	f. Number of shares arising as a result of exercise of options	18,332
	g. Money realised by exercise of options (INR), if scheme is implemented directly by the company	82,68,465
	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	21,990
	j. Number of options exercisable at the end of the year	21,990
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	

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	2023-24
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. During the year 2023-24, 6,694 Options became unexercisable/Lapsed.
- h. The Company has re-credited total 1,14,736 options to options reserved till signing of the report.

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, August 02, 2024

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 2023-2024.

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, 2024, is Rs. 22.01/- 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	01 st September, 2021
2.	Total Number of Options approved under ESOPs	13,58,630 equity shares
3.	Vesting requirements	<p>There shall be a minimum period of one year between the grant of Options and the vesting of Options.</p> <p>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.</p> <p>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.</p>

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	31 st 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, 2024	
	a. Number of options outstanding at the beginning of the period	NIL
	b. Number of options granted during the year	2,81,762
	c. Number of options forfeited/ lapsed during the year	30,761
	d. Number of options vested during the year	1,16,784
	e. Number of options exercised during the year	17,710
	f. Number of shares arising as a result of the exercise of options	17,710
	g. Money realised by exercise of options (INR), if the scheme is implemented directly by the company	9.87 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	6,95,814
	j. Number of options exercisable at the end of the year	1,35,697
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 price: Rs. 609.31 Weighted average fair values: 1 st Grant made on 10 Feb 2022: Rs 341.62 2 nd Grant made on 10 Feb 2023: Rs.313.34 3 rd Grant made on 10 Feb 2024: Rs. 385.61

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 - 61,817 Options Mr. Sachin Shah – CFO – 10,356 Options Mr. Milind Talegaonkar – Company Secretary – 2,979 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 - 61,817 Options Gagan Atreja – President (Sales & Marketing) – 14,205 Options Manish Chadha – 16,081
	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	2023-24
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	2023-24
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

3rd Grant made on 10 Feb 2024

Sr. No	Particular	2023-24
i	weighted average risk free interest rate	7.05%
ii	weighted average expected option life (in Years)	7.50
iii	weighted average expected volatility	30.80%
iv	weighted average expected dividend yield	0.00%
v	weighted average share price	910.20
vi	weighted average exercise price (rounded to the nearest decimal)	728.16

- 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

3rd Grant made on 10 Feb 2024

The expected volatility has been calculated based on the average Underlying Annualized Volatility from the listing date to February 10, 2024, 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.

During the year 2023-24, 30,761 options became un-exercisable/lapsed.

The Company has re-credited total 29,265 options to options reserved till signing of the report.

For Eris Lifesciences Limited

Amit Bakshi

DIN: 01250925

Chairperson & Managing Director

Ahmedabad, August 02, 2024

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 2023-24)

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 transaction - <ul style="list-style-type: none"> • Sales of Finished goods – 70.46 Million • Royalty Income – 5.26 Million • Composite support service income – 3.90 Million • Royalty expense – 4.75 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 Composite support service 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 transactions were in ordinary course of Business and at arms' length basis Value of transactions <ul style="list-style-type: none"> • Sales of Finished goods – 10.45 Million • Purchases of Stock-in-trade – 99.36 Million • Royalty Income – 1.92 Million • Composite support service income – 5.61 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 Purchases of Stock-in-trade Composite support service income Guarantee Commission income Royalty expense Purchase of Intangible Assets
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 – <ul style="list-style-type: none"> • Sales of Stock-in-trade - 10.85 Million • Purchases of Stock-in-trade – 524.00 Million • Composite support service income – 0.12 Million • Guarantee Commission income – 11.68 Million • Royalty expense – 81.24 Million • Purchase of Intangible Assets – 3,396.80 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:	Guarantee Commission income Composite support service income Royalty expense Sales of Raw material / packing material
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 – <ul style="list-style-type: none"> • Guarantee Commission income – 45.75 Million • Composite support service income – 63.72 Million • Royalty expense – 129.87 Million • Sales of Raw material / packing material – 0.02
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 Composite support service income – 5.43 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:	Swiss Parenterals Limited (Subsidiary)
b	Nature of contracts/arrangements/transactions:	Composite support service income Purchases of Stock-in-trade
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 – <ul style="list-style-type: none"> • Composite support service income – 1.78 Million • Purchases of Stock-in-trade – 11.25 Million
e	Date(s) of approval by the Board, if any:	February 13, 2024
f	Amount paid as advances, if any:	NIL

7		
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 – 1.76 Million Reimbursement of expense – 0.36 Million
e	Date(s) of approval by the Board, if any:	Board approval – Not applicable Approved by Executive Committee under Omnibus approval mechanism dated August 24, 2023
f	Amount paid as advances, if any:	NIL

8		
a	Name(s) of the related party and nature of relationship:	Mr. Sarthak Negi (Son of Mr. Inderjeet Singh Negi, Promoter and Whole Time 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. Sarthak Negi Value of transaction – 0.16 Million
e	Date(s) of approval by the Board, if any:	Board approval – Not applicable Approved by Executive Committee under Omnibus approval mechanism dated November 01, 2023
f	Amount paid as advances, if any:	NIL

9		
a	Name(s) of the related party and nature of relationship:	Shardul Amarchand Mangaldas & Co (Partnership firm of Mr. Prashant Gupta, Independent Director)
b	Nature of contracts/arrangements/transactions:	Services
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 – 11.45 Million
e	Date(s) of approval by the Board, if any:	Not applicable
f	Amount paid as advances, if any:	NIL

10		
a	Name(s) of the related party and nature of relationship:	Khaitan & Co. (Partnership firm of Ms. Kalpana Unadkat, Independent Director)
b	Nature of contracts/arrangements/transactions:	Services
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 - 5.72 Million
e	Date(s) of approval by the Board, if any:	Not applicable
f	Amount paid as advances, if any:	NIL

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, August 02, 2024

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, August 02, 2024

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 2023-24 and the percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary during the financial year 2023-24:**

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 2023-24	% increase/(decrease) in remuneration in the FY 2023-24*
1	Mr. Amit Indubhushan Bakshi	Managing Director	149.47	0%
2	Mr. Inderjeet Singh Negi	Whole time Director	38.00	0%
3	Mr. Kaushal Kamlesh Shah	Whole time Director	21.43	0%
4	Mr. Krishnakumar Vaidyanathan	Whole time Director	137.45	0%
5	Mr. Prashant Gupta	Independent Director	12.64	4%
6	Ms. Kalpana Vasantrai Unadkat	Independent Director	13.81	0%
7	Mr. Rajeev Dalal	Independent Director	14.25	11%
8	Mr. Sujesh Vasudevan	Independent Director	15.17	76%
9	Mr. Sachin Shah	CFO	55.19	25%
10	Mr. Milind Talegaonkar	Company Secretary	13.66	4%

* Includes sitting fees paid to Non-Executive Directors.

- 2. The percentage decrease in the median remuneration of employees in the financial year: 4.35%**
- 3. The number of permanent employees on the rolls of the Company as on 31st March, 2024: 3080**
- 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:**

During the year under review, there has been a negative growth of 7.41% in the salaries of employees other than managerial personnel.

The percentile increase in managerial remuneration has been 0.00%, which, while modest, is notably higher compared to the 7.41% decrease in the remuneration for employees not part of the managerial group.

The remuneration for field staff and employees other than managerial personnel is determined based on their sales performance/ yearly performance, following a documented increment structure that is uniformly applied across the board.

As management roles involve addressing critical issues that impact the company's survival, growth, and strategic direction and given the scarcity of managerial talent, retaining these individuals is crucial. Executives in management are accountable

to all stakeholders for both business performance and corporate governance. They must demonstrate sound judgment and mature decision-making skills, particularly in an industry that is rapidly evolving and becoming increasingly complex. These factors justify the relatively higher adjustment in 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	49 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	50 yrs	Ernst & Young LLP	0
Gagan Atreja	President-Sales & Marketing	2,20,52,924	<ol style="list-style-type: none"> 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) B.Sc. Biology (1985-1987)	He has more than 35 years experience in pharmaceutical industry	June 2022	56 Yrs	Torrent Pharmaceuticals Ltd	0

Sachin Shah	CFO	1,80,08,971	Chartered Accountant	He has more than 11 years experience in Investment Banking and pharmaceutical industry.	January, 2013	44 yrs	Aventus Capital Private Limited	Negligible
Manish Kapoor	Vice President	1,44,66,976	B.Sc + MBA (Marketing)	He has more than 22 Years experience in pharmaceutical industry.	August 2018	47 yrs	Sanofi Pasteur	0
Deepak Kapoor	Senior Vice President	1,37,21,744	B.Sc., IIM Amedabad Crash course	He has more than 30 years experience in the Pharmaceutical industry in sales and marketing	February, 2020	60 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	53 yrs	Intas Pharmaceuticals Limited	4.36
Vijay S. Joshi	President-Medical	1,23,05,520	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	71 yrs	USV Group	Negligible
Santanu Rudra	Vice President	1,10,69,188	M Pharm	He has more than 27 years of experience in field of Pharmaceuticals.	August, 2018	54 yrs	Wockhardt Ltd.	0
Santosh Danavale	Vice President-Special Projects	98,42,087	B.Sc.	He has more than 21 Yrs experience in pharmaceutical industry.	April 2007	44 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 employment	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	Last employment	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	Last employment	Percentage of equity shares held by the employee	Relation with Director, if any
NIL									

For Eris Lifesciences Limited

Amit Bakshi
DIN: 01250925
Chairperson & Managing Director
Ahmedabad, August 02, 2024

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	2023-24
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. 13,60,28,280/-
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
14	Name of assurance provider	None
15	Type of assurance obtained	None

II. Products/services				
16	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%
17	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				
18	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
19	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, stockiest and retail pharmacies.			

IV. Employees						
20	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)	3529	3429	97.17	100	2.83
2	Other than permanent (E)	919	863	93.91	56	6.09
3	Total employees (D + E)	4448	4292	96.49	156	3.51
WORKERS						
4	Permanent (F)	91	89	98%	2	2%
5	Other than permanent (G)	126	58	46%	68	54%
6	Total workers (F + G)	217	147	68%	70	32%
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

21	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%

22	Turnover rate for permanent employees and workers <i>(Disclose trends for the past 3 years)</i>									
		FY 2023-24 <i>(Turnover rate in current FY)</i>			FY 2022-23 <i>(Turnover rate in previous FY)</i>			FY 2021-22 <i>(Turnover rate in the year prior to the previous FY)</i>		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	35.25%	20.51%	34.73%	24.3%	30.40%	24.50%	23.80%	30.00%	24%
	Permanent Workers	38.37%	0	38.37%	33.66%	0	33.66%	35.69%	0	35.69%

V. Holding, Subsidiary and Associate Companies (including joint ventures)				
23	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 indicated at 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
7	Swiss Parenterals Limited	Subsidiary	51%	Yes

VI.	CSR Details	
24	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	(ii) Turnover (Rs. in Millions)	14,547.49
	(iii) Net worth (Rs. in Millions)	25,240.22

VII. Transparency and Disclosures Compliances								
25	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 2023-24 Current Financial Year			FY 2022-23 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	-	
<p>*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/</p> <p>Also, the Company has in place separate teams for handling the queries of different stakeholders the email ids for them are as mentioned below:</p> <p>a) Investor Queries- investor.relations@eris.co.in</p> <p>b) HR related queries- hr.communication@erislifesciences.com</p> <p>c) Secretarial- complianceofficer@erislifesciences.com</p> <p>d) Legal- legal@erislifesciences.com</p> <p>In addition, there are internal policies placed on the intranet platform of the Company.</p>								

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 (NGRBC)	NGRBC	NGRBC	Global Reporting Initiative Standards, NGRBC	United Nations Guiding Principles on Business and Human Rights, NGRBC	Global Reporting Initiative Standards, NGRBC	NGRBC	NGRBC	WHO GMP guidelines compliant, Product quality-ISO 9001: 2015, NGRBC
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.	-	-	-	-	-	-	-	-	-
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Governance, leadership and oversight

<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</p>	<p>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.</p> <p>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.</p>
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<p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p>	<p>Name: Mr. Krishnakumar Vaidyanathan DIN: 08976508 Designation: Wholetime Director & Chief Operating Officer</p>
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<p>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).</p>	<p>Yes</p>
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<p>If yes, provide details.</p>	<p>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.</p>
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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	% 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. 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%
Key Managerial Personnel		Principles 1-9	100%
Employees other than BoD and KMPs		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? – Yes

If yes, provide details in brief
Provide a web-link to the policy, if available

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 2023-24 (Current Financial Year)	FY 2022-23 (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 2023-24		FY 2022-23	
	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

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured):

	FY 2023-24	FY 2022-23
Number of days of accounts payables	84.18	75.50

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	100%	100%
	b. Number of dealers / distributors to whom sales are made	~4500	~2200
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	11%	16%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	21.58%	0.03%
	b. Sales (Sales to related parties / Total Sales)	6.14%	0.96%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	94.65%	98.08%
	d. Investments (Investments in related parties / Total Investments made)	99.53%	99.62%

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?	<p>Yes. The Company has the following processes in place to avoid/ manage conflict of interest:</p> <ul style="list-style-type: none"> • 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 (2023-24)	PY (2022-23)	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: <ul style="list-style-type: none"> • 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 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	40.97	NA	NA	50.05
E waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste (Expired products)	NA	NA	102.38	NA	NA	172.054
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

% 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 employees											
Male	3429	3429	100%	3429	100%	-	-	-	-	-	-
Female	100	100	100%	100	100%	100	100%	-	-	100	100%
Total	3529	3529	100%	3529	100%	100	2.83%	-	-	100	2.83%
Other than Permanent employees											
Male	863	863	100%	863	100%	-	-	-	-	-	-
Female	56	56	100%	56	100%	56	100%	-	-	56	100%
Total	919	919	100%	919	100%	56	6.09%	-	-	56	6.09%

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	89	100%	89	100%	-	-	-	-	-	-
Female	2	2	100%	2	100%	2	100%	2	100%	-	-
Total	91	91	100%	91	100%	2	100%	2	100%	-	-
Other than Permanent workers											
Male	58	58	100%	58	100%	-	-	-	-	-	-
Female	68	68	100%	68	100%	68	100%	68	100%	-	-
Total	126	126	100%	126	100%	68	100%	68	100%	-	-

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	1.03%	0.93%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	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	1.66%	37%	Y	9.31%	46.43%	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?	<p>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:</p> <ul style="list-style-type: none"> • 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?	<p>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.</p>
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.

Gender	Permanent employees		Permanent workers	
	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
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If yes, give details of the mechanism in brief.

	Yes/No <i>(If Yes, then give details of the mechanism in brief)</i>
Permanent Workers	<p>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.</p> <p>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.</p>
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 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(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 2023-24					FY 2022-23				
	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	4292	2148	50.05%	1221	28.45%	3363	242	7.20%	78	2.32%
Female	156	74	47.43%	28	17.95%	92	15	16.30%	4	4.35%
Total	4448	2222	49.95%	1249	28.08%	3455	257	7.44%	82	2.37%
Workers										
Male	89	89	100%	43	48.31%	89	89	100%	40	44.94%
Female	2	2	100%	2	100%	4	4	100%	2	50.00%
Total	91	91	100%	45	49.45%	93	93	100%	42	45.16%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4292	4292	100%	3363	3363	100%
Female	156	156	100%	92	92	100%
Total	4448	4448	100%	3455	3455	100%
Workers						
Male	147	147	100%	89	89	100%
Female	70	70	100%	4	4	100%
Total	217	217	100%	93	93	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?	<p>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.</p> <p>The processes used to assess risks: Routine basis:</p> <ul style="list-style-type: none"> • 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 <p>Non-routine basis: Incident based assessments are done for identification of risks and measures needed for their mitigation.</p>
c.	Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.	<p>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.</p> <p>The SOPs are reviewed periodically for addition of new hazards and mitigation measures.</p>
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?	<p>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:</p> <ul style="list-style-type: none"> • 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 2023-24	FY 2022-23
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 2023-24			FY 2022-23		
	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	-	0	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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
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: <ul style="list-style-type: none"> • 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	<p>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:</p> <ul style="list-style-type: none"> • 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	<p>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:</p> <ul style="list-style-type: none"> • Timely payments • Collaboration
Customers	No	Physical meetings, virtual meetings	Ongoing	<p>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.</p>
Community	Yes	Physical meets and digital channels	Ongoing	<p>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.</p>

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.
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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.	
<ul style="list-style-type: none"> • 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 2023-24			FY 2022-23		
	Total	No. of employees / workers covered	%	Total	No. of employees / workers covered	%
	(A)	(B)	(B/A)	(C)	(D)	(D/C)
Employees						
Permanent	3529	1765	50.01%	2588	850	32.84%
Other than permanent	919	457	49.74%	867	815	94.00%
Total Employees	4448	2222	49.95%	3455	1665	48.19%
Workers						
Permanent	91	91	100%	93	93	100%
Other than permanent	126	126	100%	-	-	-
Total Workers	217	217	100%	93	93	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
		No.	%	No.	%		No.	%	No.	%
	(A)	(B)	(B/A)	(C)	(C/A)	(D)	(E)	(E/D)	(F)	(F/D)
Employees										
Permanent										
Male	3429	-	-	3429	100%	2513	-	-	2513	100%
Female	100	-	-	100	100%	75	-	-	75	100%
Other than Permanent										
Male	863	-	-	863	100%	850	-	-	850	100%
Female	56	-	-	56	100%	17	-	-	17	100%
Workers										
Permanent										
Male	89	-	-	89	100%	89	-	-	89	100%
Female	2	-	-	2	100%	4	-	-	4	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	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	45,06,042
Key Managerial Personnel	2	1,12,33,828	-	-
Employees other than BOD and KMP	3826	3,70,335	122	3,77,944
Workers	89	3,86,725	2	1,92,800

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3.45%	2.83%

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.
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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 2023-24			FY 2022-23		
	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. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. 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.

9. Do human rights requirements form part of your business agreements and contracts?	Yes, in certain business agreements and contracts where relevant.
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10. 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	

11. 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%*
Discrimination at workplace	* 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.
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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	8,72,180	13,47,702
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	8,72,180	13,47,702
From non-renewable sources		
Total electricity consumption (D)	20,18,060	18,59,008
Total fuel consumption (E)	25,021	24,698
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	20,43,081	18,83,706
Total energy consumed (A+B+C+D+E+F)	29,15,261	32,31,408
Energy intensity per rupee of turnover (Total energy consumption in KWH/ turnover in Million)	200.39	247.22
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in KWH / turnover in Million adjusted for PPP)	4,488.87	5,480.78
Energy intensity in terms of physical output (KWH / production units in million)	3,614.46	2,812.17
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.
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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
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3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	13501	13545
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal <i>(in kilolitres) (i + ii + iii + iv + v)</i>	13501	13545
Total volume of water consumption (in kilolitres)	13501	13545
Water intensity per rupee of turnover (Water consumed in Kilolitres / turnover in Million)	0.91	1.02
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in Kilolitres/ Revenue from operations adjusted for PPP in Million)	20.34	22.57
Water intensity in terms of physical output (Kilolitres / production units in million)	16.74	11.79
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
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

<p>5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation</p>	<p>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.</p>																																																																
<p>6. Please provide details of air emissions (other than GHG emissions) by the entity:</p>																																																																	
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<p>8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.</p>	<p>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:</p> <ul style="list-style-type: none"> • 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 																																																																

9. Provide details related to waste management by the entity:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	40.97	50.05
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0.1	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)		
Process Waste	2.97	2.75
ETP Sludge	0.05	0.05
Spent Oil	0.03	0.02
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)	44.02	52.87
Waste intensity per rupee of turnover (Total waste generated in Metric tonnes/ Revenue from operations in Million)	0.003	0.004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in Metric Tonnes / Revenue from operations adjusted for PPP in Million)	0.066	0.088
Waste intensity in terms of physical output (metric tonnes / production units in million)	0.05	0.05
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
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	102.38	172.054
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total	102.38	172.054

10. 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.

11. 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.

12. 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.

13. 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. 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 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) To Surface water	0	0
(ii) To Groundwater	13501	13545
(iii) Third-party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	13501	13545
Total volume of water consumption (in kilolitres)	13501	13545
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.

2. 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.

3. 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

4. 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.

5. 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.

6. 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

7. 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 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	26.66%	35.38%
Directly from within India	99.98%	97.64%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	0%	0%
Semi-urban	1%	1%
Urban	15%	16%
Metropolitan	84%	83%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

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
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Refer Management Discussion and Analysis Report starting from page no. 52.

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 2023-24		Remarks	FY 2022-23		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	02	The products were recalled To maintain our high quality standards.
Forced recalls	0	Not Applicable

<p>5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)</p>	<p>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.</p> <p>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.</p>
<p>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.</p>	
<p>No such incidents were reported.</p>	
<p>7. Provide the following information relating to data breaches:</p> <p>a. Number of instances of data breaches: NIL</p> <p>b. Percentage of data breaches involving personally identifiable information of customers: NIL</p> <p>c. Impact, if any, of the data breaches: NA</p>	

Leadership Indicators

<p>1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).</p> <p>The information on products of the Company can be accessed on its website at:- https://eris.co.in/</p>
<p>2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</p> <p>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.</p> <p>Furthermore, the Company organizes various programs aimed at educating healthcare professionals (HCPs) and patients on the responsible utilization of our products.</p>
<p>3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.</p> <p>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.</p>
<p>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.</p> <p>The label contents being highly regulated, it is not feasible to provide more product information over and above the mandate of law.</p> <p>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)</p> <p>The Company maintains continuous engagement with its Consumers, Doctors and other Healthcare professionals and takes their feedback on the products.</p>



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, 2024, 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 ended on that date, and notes to the financial statements, including a summary of material 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, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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	<p>Business Combinations - Acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited.</p> <p>(Refer to Note 27.4 to the Standalone Financial Statements)</p> <p>During the current financial year, the Company has acquired Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of Rs. 3,660 million.</p>	<p>Principal audit procedures performed:</p> <p>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.</p>

	<p>The Company has accounted the acquisitions 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 respective acquisition dates.</p> <p>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.</p> <p>In view of the foregoing, Purchase Price Allocation in respect of the Business Combination has been identified as a Key Audit Matter.</p>	<p>2. Our substantive procedures included,</p> <p>(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.</p> <p>(ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates and net profit margin</p> <p>(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.</p>
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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, 2024, 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.

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 accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 statements 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 and Board of Directors 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 intend 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 controls 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 financial controls 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, except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - 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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - g) 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.
 - h) 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.
 - i) 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 its knowledge and belief, as disclosed in the note 37B 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 persons or entities, 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 its knowledge and belief, as disclosed in the note 37B to the financial statements, no funds have been received by the Company from any persons or entities, 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 company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:
 - a) In respect of one software used during the period April 1, 2023 to December 31, 2023 the audit trail was not enabled at the database level to log any direct data changes,
 - b) In respect of another software used from January 1, 2024, the audit trail feature was not enabled for privileged access users.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. (refer note 37(B)(xv) of the Standalone Financial Statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- 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: 24116642BKDLDT3758)

Place: Ahmedabad
Date: August 02, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (g) 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 at March 31, 2024 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 the 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, 2024, 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: 24116642BKDLDT3758)

Place: Ahmedabad

Date: August 02, 2024

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 and Right of use assets 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, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (As amended in 2016) and rules made thereunder.
- (ii)
- (a) The inventories except for goods-in-transit 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. In respect of goods in-transit, the goods have been received subsequent to the year-end. 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 the quarterly statements comprising stock statements, book debt statements 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 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	2,242.99	1,350.00
Others	2.38	-
B. Balance outstanding as at balance sheet date in respect of above cases:		
Subsidiaries	457.36	3,050.00
Others	10.42	-

- (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. 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:

Rs. in Million

	All Parties	Related Parties	Others
Aggregate of loans -Repayable on demand (A)	2,245.37	2,242.99	2.38
Percentage of loans to the total loans	100%	99.89%	0.11%

- (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.
- (vii) 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, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2024 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, 2024 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	0.81	0.81
Income Tax Act, 1961	Income Tax Demand	Commissioner of Income Tax (Appeal), Ahmedabad	FY 2017-2018	0.25	0.25
Goods and Service Tax	IGST, interest and Penalty	Office of the Commissioner Appeals	FY 2017- 2021	0.15	0.14
Goods and Service Tax	IGST Demand	Office of the Commissioner Appeals	FY 2017-2018	9.98	8.98
Goods and Service Tax	CGST and Penalty	Office of the Commissioner Appeals	FY 2017-2018	1.71	1.56

- (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) 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.

- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of 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 the 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 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 up to the date of this report.
- (c) As represented to us by the Management, there were no whistleblower 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 upto December 2023 and the internal audit reports were issued after the balance sheet date covering the period January 2024 to March 2024 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 its 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 CIC as part of the group and accordingly 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 in 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 and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
Partner
(Membership No.116642)
(UDIN -24116642BKDLDT3758)

Place: Ahmedabad
Date: August 02, 2024

STANDALONE BALANCE SHEET

as at March 31, 2024

(₹ in million)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS :			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2(a)	1,031.31	1,058.00
(b) Right-of-use asset	2(a)	451.18	465.99
(c) Goodwill	2(b)	199.96	166.60
(d) Other Intangible assets	2(b)	13,473.10	7,287.54
(e) Intangible assets under development	2(b)	6.11	3.43
(f) Financial assets			
Investments	3	16,189.45	9,665.15
Loans	10	10.42	749.36
Other financial asset	5	67.31	64.40
(g) Income tax assets (net)	4(d)	162.09	34.87
(h) Deferred tax assets (net)	4(f)	3,037.87	2,737.84
(i) Other non-current assets	6	101.38	82.65
Total Non Current Assets		34,730.18	22,315.83
(2) Current Assets			
(a) Inventories	7	916.37	636.99
(b) Financial assets			
Investments	3	-	300.05
Trade receivables	8	2,399.71	2,292.18
Cash and cash equivalents	9(a)	519.35	474.82
Other bank balances	9(b)	12,448.04	1.67
Loans	10	472.78	432.26
Other financial asset	5	6.87	6.97
(c) Other current assets	6	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) Share capital	11	136.03	135.99
(b) Other Equity	12	25,104.19	22,082.85
Total Equity		25,240.22	22,218.84

(₹ in million)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	4,859.41	2,094.71
Lease Liabilities	14	350.22	356.76
Other financial liabilities	14	8.60	-
(b) Long-term provisions	15	405.63	310.32
(c) Other non-current liabilities	16	13.84	18.21
Total Non Current Liabilities		5,637.70	2,780.00
(3) Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	20,435.08	1,074.00
Lease Liabilities	14	75.12	55.39
Trade payables	17		
A) Due to Micro and Small Enterprises		106.25	118.05
B) Due to other than Micro and Small Enterprises		1,282.17	712.69
Other financial liabilities	14	111.16	84.42
(b) Short-term provisions	15	419.94	584.58
(c) Other current liabilities	16	181.15	170.53
(d) Income tax liabilities (net)	4(e)	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

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: August 2, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi
 Managing Director
 DIN: 01250925

Sachin Shah
 Chief Financial Officer
Place: Ahmedabad
Date: August 2, 2024

Inderjeet Singh Negi
 Whole Time Director
 DIN: 01255388

Milind Talegaonkar
 Company Secretary
 Membership No-A26493

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

Particulars	Note No.	(₹ in million)	
		For the Year ended March 31, 2024	For the Year ended March 31, 2023
REVENUE:			
Revenue from operations			
Sale of products	18	14,547.49	13,071.20
Other operating income		319.57	236.05
Total Revenue from Operations		14,867.06	13,307.25
Other income	19	348.28	172.64
Total Revenue (I)		15,215.34	13,479.89
EXPENSES:			
(a) Cost of materials consumed	20	962.92	1,141.27
(b) Purchases of stock-in-trade		1,970.22	1,137.56
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(131.52)	85.01
(d) Employee benefits expense	22	3,316.70	2,525.20
(e) Other expenses	23	4,210.60	3,367.07
Total (II)		10,328.92	8,256.11
Profit before interest, tax, depreciation and amortisation (I - II)		4,886.42	5,223.78
Finance costs	24	574.20	208.10
Depreciation and amortisation expense	2 (c)	1,023.89	646.57
Profit before tax		3,288.33	4,369.11
Tax expenses :			
(a) Current tax		576.44	764.96
(b) Deferred tax	4	(285.23)	(375.93)
Total tax expense		291.21	389.03
Profit for the year		2,997.12	3,980.08
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(42.39)	(2.29)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		14.81	0.80
Total Comprehensive Income for the year		2,969.54	3,978.59

(₹ in million)

Particulars	Note No.	As at	As at
		March 31, 2024	March 31, 2023
Earnings per equity share of face value ₹ 1 each			
Basic (₹)	25	22.04	29.27
Diluted (₹)		22.01	29.23

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: August 2, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 2, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Milind Talegaonkar

Company Secretary

Membership No-A26493

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2024

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
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	21.42	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	4729.58	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	4097.72	4,001.14
Net income tax paid	734.83	(777.86)
Net cash flow from operating activities (A)	3362.89	3,223.28

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including other intangible assets)	(3,490.44)	(3,112.65)
Proceeds from sale of property plant and equipment	-	1.29
Consideration paid towards investment in subsidiary	(2,008.00)	(7,054.91)
Consideration paid towards business combination	(3,660.00)	-
Investments in mutual funds and fixed deposit		(300.00)
Consideration paid towards investment in Compulsory convertible debentures	(102.80)	-
Loan given to Subsidiaries	(2,229.24)	(4,237.08)
(Investment in) / proceeds of Bank balances not considered as cash and cash equivalents	(12,420.30)	12.34
Proceeds from redemption of mutual funds and fixed deposit	(4,019.69)	5,853.39
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)
Interest income	83.90	100.89
Net cash used in investing activities (B)	(24,918.91)	(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 / (used in) 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 year	474.82	447.04
Cash and cash equivalents at end of the year {Refer note-9(a)}	519.35	474.82

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	0.54	0.13
Balance with banks		
In Current Account	449.11	431.75
Cheque in hand	69.70	42.94
Cash and Cash Equivalents as per Cash flow statement	519.35	474.82

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: August 2, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 2, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Milind Talegaonkar

Company Secretary

Membership No-A26493

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2024

A. Equity Share Capital							(₹ in million)
Particulars (refer note-11)							Amount
As at March 31, 2022							135.93
Change in Equity Share Capital (Refer note 35)							0.06
As at March 31, 2023							135.99
Change in Equity Share Capital (Refer note 35)							0.04
As at March 31, 2024							136.03
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, 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	(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	
Add: Profit for the year	2,997.12	-	-	-	-	2,997.12	
Add: Other comprehensive Income for the year	(27.58)	-	-	-	-	(27.58)	
Add: Pursuant to Issue of share capital on account of exercise of options	-	16.44	-	-	-	16.44	
Less: Transfer on account of exercise of options	-	12.80	(11.90)	-	-	0.90	
Add: Share based payments to employees of the company	-	-	34.46	-	-	34.46	
As at March 31, 2024	24,871.60	180.25	50.60	-	1.74	25,104.19	

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: August 2, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 2, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

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: Material 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: The goods are often sold with customers having a right to return damaged or expired products. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. (refer note 1.3b)
- Useful lives of property, plant and equipment: Property, Plant and Equipment represent a large proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation future events, which may impact their lives, such as changes in technology.(refer note 1.4)
- Useful lives of intangible assets: The lives are based on historical experience with similar assets as well as anticipation future events, which may impact their lives, such as changes in technology. (refer note 1.5)
- Impairment of asset: Significant judgments are involved in determining the estimated future cash flows from the Investments, Property, Plant and Equipment and Goodwill to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials (refer note 1.8 & 3.3)
- Valuation of inventories (refer note 1.9)
- Employee benefits: Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the

working of the present value of future liabilities on account of employee benefits by way of defined benefit plans. (refer note 1.13).

- Valuation of deferred tax assets: Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.
- Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits. (refer note 1.14)"
- Provisions & contingent liabilities: Significant judgments are involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources. (refer note 1.15)
- Business combination (refer note 1.6)

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 recognised, 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
 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.

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
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

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 / business acquired through slump sale 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 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.
- v. 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.

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.

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset. The Company follows 'simplified approach' for recognition of impairment loss allowance.

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:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are

accounted for as follows:

- a. Raw Materials, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress are valued at lower of cost and net realisable value.
- b. Cost [Net of Input tax credit availed] of Raw Materials, Packing Materials, Finished Goods, and Stock-in-Trade is determined on Moving Average Method.
- c. Costs of Finished Goods and Work-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Write down of inventories to net realisable value is recognised as an expense and included in Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade and Cost of Material Consumed in the relevant note in the Statement of Profit and Loss.

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:

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 34)"

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 Measurement of Profit before interest, tax, depreciation and amortisation

As permitted by Guidance Note on Schedule III, 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.

1.20 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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 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
Additions during the year	20.36	0.83	3.75	31.41	169.76	2.13	-	16.55	244.79	76.66
Deductions during the year	-	0.46	0.41	-	58.21	-	-	-	59.08	-
As at March 31, 2024	43.34	365.18	360.70	273.96	711.40	136.76	35.88	107.23	2,034.45	669.18
Accumulated depreciation:										
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
Depreciation for the year	-	8.93	14.92	19.89	176.58	15.30	2.45	11.99	250.06	91.47
Deductions during the year	-	0.46	0.15	-	37.05	-	-	-	37.66	-
As at March 31, 2024	-	119.88	225.81	146.09	406.24	57.48	21.07	26.57	1,003.14	218.00
Net carrying amount										
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
As at March 31, 2024	43.34	245.30	134.89	127.87	305.16	79.28	14.81	80.66	1,031.31	451.18

* Right of use asset consists of lease hold buildings.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(b) Intangible Assets:

(₹ in million)

Particulars	Other Intangible Assets				Total
	Goodwill	Trademark/ Brand/ License fees*	Non compete fees	Computer Software	
Gross carrying amount:					
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
Additions during the year (Refer note 27.1b)	-	3,401.04	-	0.25	3,401.29
Addition due to business combination (Refer note 27.4)	33.36	3,466.64	-	-	3,466.64
Deductions during the year	-	-	-	-	-
As at March 31, 2024	199.96	14,985.28	50.00	173.07	15,208.35
Accumulated Amortisation:					
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
Amortisation for the year	-	655.61	-	26.76	682.37
As at March 31, 2024	-	1,593.18	50.00	92.07	1,735.25
Net carrying amount					
As at March 31, 2023	166.60	7,180.03	-	107.51	7,287.54
As at March 31, 2024	199.96	13,392.10	-	81.00	13,473.10
Intangible assets under development					
As at March 31, 2024	-	-	-	3.43	3.43
As at March 31, 2024	-	-	-	6.11	6.11

* In previous year 2022-23, Trademark/ Brand/ License fees addition includes, ₹ 2,750 million for acquisition of 9 brands of Dr. Reddy's Laboratories Limited. (Refer note 27.3)

§ Term loans are secured against brands acquired.

Note: Intangible assets under development:

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

Ageing Schedule		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 31,2024	2.68	-	-	3.43	6.11
Total		2.68	-	-	3.43	6.11
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		-	-	-	3.43	3.43

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 31,2024	3.43	2.68	-	-	6.11
Total		3.43	2.68	-	-	6.11
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total		-	3.43	-	-	3.43

"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 ₹ 199.96 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 :

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation of property plant and equipment	250.06	214.33
Depreciation of right of use assets	91.47	83.22
Amortisation of intangible assets	682.37	349.02
Total	1,023.90	646.57

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 3: Investments

(₹ in million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	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)				
Equity shares of ₹10 each held in Eris M. J. Biopharm Private Limited (Formerly Known as Kinedex Healthcare Private Limited) (Refer note 3.2 below)	1,82,504	56.92	1,82,504	56.92
Equity shares of ₹10 each held in Aprica Healthcare Limited (Refer note 3.3 & 27.2)	95,12,023	2,064.24	95,12,023	2,064.24
Equity shares of ₹10 each held in Eris Healthcare Private Limited (Refer note 27.2)	10,000	2.08	10,000	2.08
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 a)	18,40,52,259	6,554.90	18,40,52,259	6,554.90
Equity shares of ₹10 each held in Swiss Parenterals Limited (Refer note 3.4 & 27.5)	28,46,638	6,383.00	-	-
(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
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 (Formerly Known as Kinedex Healthcare Private Limited)	1,11,11,334	500.01	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)	32	-	32	-
(c) In Unsecured Perpetual Securities of subsidiaries (Unquoted) (refer note 3.1 & 3.3 below)				
Perpetual securities of ₹10 each held in Aprica Healthcare Limited	2,00,00,000	200.00	2,00,00,000	200.00

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	As at March 31, 2024		As at March 31, 2023	
	Units/Shares (Numbers)	(₹ in million)	Units/Shares (Numbers)	(₹ in million)
(d) In Compulsory convertible debentures of subsidiaries (Unquoted)				
Compulsory convertible debentures of ₹10 each held in Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 3.5)	12,37,079	102.80	-	-
Sub Total A=(a+b+c+d)		16,114.03		9,628.23
(B) Investment in Tax Free Bonds (unquoted)				
Rural Electrification Corporation Bond of ₹10,000 each	500	5.00	500	5.00
Sub Total B		5.00		5.00
Sub Total (I) = A+B		16,119.03		9,633.23
(II) At Fair Value through Profit or Loss				
(A) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of ₹1,000 each	1,000	1.09	1,000	1.10
Indian Railway Finance Corporation Bond of ₹1,000 each	1,000	1.09	1,000	1.11
Housing and Urban Development Corporation Bond of ₹1,000 each	1,000	1.08	1,000	1.09
		3.26		3.30
(B) Investment in Equity Instruments				
S3V Vascular Technologies Private Limited (Unquoted)	3,81,588	67.16	3,81,588	28.62
		67.16		28.62
Sub Total (II) = A+B		70.42		31.92
Total (I)+(II)		16,189.45		9,665.15
Current investments				
(I) At Fair Value through Profit or Loss				
Investment in Mutual Funds (unquoted)				
SBI Overnight Fund Direct Growth	-	-	82,221	300.05
Total (I)		-		300.05
Aggregate carrying value of quoted investments		3.26		3.30
Aggregate market value of quoted investments		3.26		3.30
Aggregate carrying value of unquoted investments		16,186.19		9,961.90

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

3.1 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 Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS 27 Separate Financial Statements.

3.2 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.

3.3 The networth of this subsidiary is less than the exposure in the form of investment in equity instrument and unsecured perpetual securities of the Company in the said subsidiary as at March 31, 2024.

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.

3.4 Swiss Parenterals Limited 22,32,657 Shares are pledged against Non Convertible debentures issued.

3.5 Compulsory convertible debentures

The Company has invested in Compulsory convertible debentures of Eris Oaknet Healthcare Private Limited, its subsidiary company. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of 0.01% payable on expiry of lock in period. These securities are having maturity of nine years and eleven months. 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, 2024

Note 4: Income Taxes

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for the year	576.44	764.96
Deferred tax:		
Deferred tax (benefit) for the year	(285.23)	(375.93)
	291.21	389.03
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement gains on defined benefit plans	(14.81)	(0.80)
	(14.81)	(0.80)
(c) Reconciliation of tax expense :		
Profit before income taxes	3,288.33	4,369.11
Enacted tax rate in India	34.944%	34.944%
Expected income tax expenses	1,149.07	1,526.74
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	159.43	65.82
Effect of income exempt from taxation	(1.18)	(1.47)
Tax incentives	(1,000.88)	(1,270.11)
Adjustment of current tax of prior year	-	0.03
Others (net)	(30.04)	67.22
Adjusted income tax expense	276.40	388.23
Effective Tax Rate	8.41%	8.89%
(d) Income Tax Assets:		
Opening Balance	34.87	34.67
Add: Tax paid in advance, net of provisions during the year	127.22	0.20
Closing Balance	162.09	34.87
(e) Income Tax Liabilities :		
Opening Balance	38.08	50.78
Add: Prior period adjustment	-	1.89
Add: Current tax payable for the year	576.44	764.93
Less: Taxes paid	(607.63)	(779.52)
Closing Balance	6.89	38.08

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(f) Deferred tax assets/ liabilities:		
Deferred tax assets		
Property, plant and equipments (including ROU net of lease liability)	101.79	71.18
Minimum Alternate Tax credit entitlement	4,602.30	3,848.38
Employee benefits	103.12	53.51
Fair Valuation of Investment	2.06	1.51
Other	41.57	16.81
	4,850.84	3,991.39
Deferred tax liabilities		
Intangible assets	1,812.97	1,253.55
	1,812.97	1,253.55
Total	3,037.87	2,737.84

(₹ 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, 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
Charged/(Credited)							
- To Profit or Loss	(30.61)	(753.92)	(34.80)	559.42	(0.55)	(24.76)	(285.22)
- To other comprehensive Income			(14.81)				(14.81)
At March 31, 2024	101.79	4,602.30	103.12	(1,812.97)	2.06	41.57	3,037.87

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Security deposits	67.31	64.40
	67.31	64.40
Current		
Insurance claim receivable	0.47	0.49
Interest accrued	0.29	0.29
Security deposits	1.05	1.13
Claims and Other receivables		
- Considered Good	5.06	5.06
- Considered doubtful	48.21	48.10
Less: Allowance for doubtful of recovery	(48.21)	(48.10)
	6.87	6.97
Total	74.18	71.37

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Capital Advances (refer note 33)	30.63	10.90
Claims and Other receivables (refer note 33)	50.00	50.00
Prepaid expenses	20.75	21.75
	101.38	82.65
Current		
Prepaid expenses	211.64	124.14
Balances with government authorities		
Goods and services tax credit receivable *	936.32	639.59
Others	3.49	3.04
Expected Reimbursement Towards Likely Sales Return (Refer note 1.3b and note 15)	32.52	45.00
Advances to supplier	810.02	560.80
Advances to employees	8.39	3.24
	2,002.38	1,375.81
Total	2,103.76	1,458.46

Hypothecated against working capital loan.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

* Pursuant to the Scheme of Budgetary Support under Goods and Services Tax [GST] Regime the Company is entitled to avail certain benefits for the goods manufactured in the state of Assam. The requisite conditions have been fulfilled by the Company and the Company is entitled to receive such income. Required claims have been filled with the regulatory authority within the stipulated timeline.

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Material and Packing Material {including goods-in-transit ₹32.66 millions (March 31, 2023 - ₹ 10.90 million)}	274.26	266.51
Work-in-progress	33.02	35.18
Finished goods	151.60	149.12
Stock-in-trade {including goods-in-transit ₹16.78 millions (March 31, 2023- ₹ 6.81 millions)}	453.75	182.74
Stores, spares & consumables	3.74	3.44
Total	916.37	636.99

Hypothecated against working capital loan.

Note 8: Trade receivables

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Considered good	-	-
Unsecured Considered good	2,399.71	2,292.18
Trade Receivables which have significant increase in Credit Risk	70.87	17.09
Trade Receivables-credit impaired	8.09	8.09
	2,478.67	2,317.36
Less: Allowance for doubtful debt (expected credit loss)	78.96	25.18
Total	2,399.71	2,292.18

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, 2024	As at March 31, 2023
Opening Balance	25.18	25.18
Add : Provision during the year	53.78	-
Less : Utilisation during the year	-	-
Closing Balance	78.96	25.18

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Trade Receivable ageing schedule:								(₹ in million)
Particulars	As on	Outstanding for following period from due date of payment						Total
		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 31,2024	2,319.48	80.24				-	2,399.71
	March 31,2023	2,279.94	6.02	3.06	3.16		-	2,292.18
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2024			68.80	1.29	0.78	-	70.87
	March 31,2023	-	-	-	17.09	-	-	17.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2024	-	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2024	-	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2024	-	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2024	-	-	-	-	1.35	6.74	8.09
	March 31,2023	-	-	-	0.09	0.80	7.20	8.09
Total	March 31,2024	2,319.48	80.24	68.80	1.29	2.13	6.74	2,478.67
	March 31,2023	2,279.94	6.02	3.06	20.34	0.80	7.20	2,317.36

Note 9: Cash and Bank balances		(₹ in million)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Note 9(a) : Cash and cash equivalents			
Cash on hand	0.54	0.13	
Balances with banks in current accounts*	449.11	431.75	
Cheque in hand	69.70	42.94	
	519.35	474.82	

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	(₹ in million)	
	As at March 31, 2024	As at March 31, 2023
Note 9(b) : Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender Deposit	2.01	1.67
In fixed deposit accounts for earmarked funds for payment related to acquisition. (refer note 27.6)	12,446.03	-
	12,448.04	1.67
Total	12,967.39	476.49

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

Particulars	(₹ in million)	
	As at March 31, 2024	As at March 31, 2023
Note 10: Loans		
Non-Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30D)	-	739.72
To others	10.42	9.64
	10.42	749.36
Current		
Loans Receivables considered good - Unsecured		
To subsidiaries (Refer note 30D)	457.36	419.22
To others	15.42	13.04
Loans Receivables from others which have significant increase in Credit Risk	-	5.66
Loans Receivables - credit impaired	-	-
	472.78	437.92
Less: Allowance for doubtful loan to others	-	(5.66)
	472.78	432.26
Total	483.20	1,181.62

Particulars	(₹ in million)	
	As at March 31, 2024	As at March 31, 2023
Note 11: Share capital		
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 :		
13,60,28,280 (Previous year 13,59,92,238) Equity Shares of ₹1 each fully paid up	136.03	135.99
Total	136.03	135.99

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 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
Issued during the year (persuant to ESOP - refer Note 35)	36,042	0.04
Shares outstanding at March 31, 2024	13,60,28,280	136.03

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, 2024		As at March 31, 2023	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,83,35,144	42.88%	5,55,35,144	40.84%
2. Rakeshbhai Bhikhabhai Shah	66,40,981	4.88%	1,56,85,981	11.53%
3. Emerald Investments Limited	98,86,882	7.27%	1,03,12,132	7.58%
4. HDFC Mutual Fund	89,73,223	6.60%	-	0.00%

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, 2024			As at March 31, 2023	
	No. of equity shares held	% of Shareholding	% Changes during the year	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,83,35,144	42.88%	5.04%	5,55,35,144	40.84%
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 *	-	0.00%		-	0.00%

*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 4,50,926 as on March 31, 2024 (Previous year 4,75,801).

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, 2024

Note 12: Other Equity

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earnings	24,871.60	21,902.06
Securities premium	180.25	151.01
Share based payment reserve	50.60	28.04
Capital redemption reserve	1.74	1.74
Total	25,104.19	22,082.85

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. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

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. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Security premium: The amount received in excess of the par value of equity shares has been classified as securities premium. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Note 13: Borrowings

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
(a) Secured		
From Banks - Term Loan	4,859.41	2,094.71
	4,859.41	2,094.71
Current		
(a) Secured		
From Banks - Term Loan	2,183.97	524.00
From Banks - Working capital Loan	3,160.00	550.00
Non convertible debentures	4,375.00	-
(a) Unsecured		
From Subsidiary	966.11	-
Commercial papers (Refer note 27.6)	9,750.00	-
	20,435.08	1,074.00
Total	25,294.49	3,168.71

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Term Loans from bank referred above to the extent of:

Name of the Borrower	Rate of Interest	Type of Facility	Disbursed Amount (₹ in million)	Outstanding Limit as on March 31, 2024 (₹ in million)	Secured against	Purpose	Total No of instalment / Tenure	Instalment Starting from
Eris Lifesciences Limited	Repo +1.55%	Term Loan	2,620.00	2,095.00	Acquired Brands	Acquisition of brand	16	Jun-23
Eris Lifesciences Limited	T-bill +1.70%	Term Loan	1,098.30	378.64	Acquired Brands	Acquisition of brand	10	Oct-23
Eris Lifesciences Limited	T-bill +1.30%	Term Loan	2,120.00	2,004.00	Acquired Brands	Acquisition of brand	16	Oct-23
Eris Lifesciences Limited	T-bill +1.29%	Term Loan	2,800.00	2,566.67	Acquired Brands	Acquisition of business	12	Feb-24
Eris Lifesciences Limited	9.00%	Commercial Paper	9,750.00	9,750.00	Nil	Acquisition of business	90 Days	Jun-24
Eris Lifesciences Limited	8.00%	Non-Convertible Debentures	4,375.00	4,375.00	Equity Shares	Acquisition of Company	1 Year 7 days	
Eris Lifesciences Limited	T-bill +1.20%	Fund Based Working Capital Limit	1,140.00	1,130.00	Net Current assets			
Eris Lifesciences Limited	T-bill +1.38% to 1.73%	Fund Based Working Capital Limit	3,000.00	1,280.00	Net Current assets			
Eris Lifesciences Limited	Repo +2.05%	Fund Based Working Capital Limit	750.00	750.00	Net Current assets			

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Trade deposits	8.60	-
(a) Lease Liabilities		
Lease Liabilities	350.22	356.76
	358.82	356.76
Current		
(a) Lease Liabilities		
Lease Liabilities	75.12	55.39
	75.12	55.39
(b) Other financial liabilities		
Book overdraft*	-	73.92
Dividend Payable	1.04	1.05
Interest Accrued	95.05	1.57
Payable towards purchase of property plant and equipment	15.07	7.88
	111.16	84.42
	186.28	139.81
Total	545.10	496.57

* Current assets are hypothecated against WCDL Limit.

Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	86.41	59.65
Gratuity	78.88	-
Provision for sales returns (Refer note below)	240.34	250.67
	405.63	310.32
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	47.81	34.56
Gratuity	40.53	31.01
Provision for sales returns (Refer note below)	331.60	519.01
	419.94	584.58
Total	825.57	894.90

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 recognised, which is included in other current assets for the products expected to be returned.”

		(₹ in million)
Opening Provision	769.68	556.04
Add : Provision during the year	338.70	309.75
Less : Utilisation during the year	536.44	96.11
Closing Provision	571.94	769.68
Long Term	240.34	250.67
Short Term	331.60	519.01
Total	571.94	769.68

Note 16: Other liabilities

Particulars	(₹ in million)	
	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred Capital Subsidy *	13.84	18.21
	13.84	18.21
Current		
Statutory liabilities	148.15	152.94
Advances from customers	28.48	12.92
Deferred Capital Subsidy *	4.52	4.67
	181.15	170.53
Total	194.99	188.74

* 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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 17: Trade payables

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Due to micro and small enterprises (refer note- 30 and 36)	106.25	118.05
Due to others	1,282.17	712.69
Total	1,388.42	830.74

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment					Total
		Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2024	71.96	34.28	0.01	-	-	106.25
	March 31,2023	46.42	70.64	0.99	-	-	118.05
(ii) Others	March 31,2024	921.25	349.06	7.17	2.10	2.59	1,282.17
	March 31,2023	524.07	180.52	4.19	1.55	2.36	712.69
(iii) Disputed dues - MSME	March 31,2024	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2024	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-
Total	March 31,2024	993.21	383.34	7.18	2.10	2.59	1,388.42
	March 31,2023	570.49	251.16	5.18	1.55	2.36	830.74

Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Sale of products	14,547.49	13,071.20
Other operating income		
Goods and Services Tax refund (refer note 6)	174.04	225.33
Royalty income	142.75	8.17
Others	2.78	2.55
	319.57	236.05
Total	14,867.06	13,307.25

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:

Revenue as per contracted price, net of returns	15,301.92	13,477.41
Less : Provision for sales return	338.70	309.75
Less : Scheme, discount and others	415.73	96.46
Revenue from contracts with customers	14,547.49	13,071.20

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, 2024	For the Year ended March 31, 2023
Interest income	112.85	82.77
Net gain on sale of investments	55.26	71.27
Net gain on investments carried at fair value through profit or loss	38.50	0.05
Deferred Capital Subsidy (Refer note 16)	4.52	4.78
Cross charge income	119.78	-
Miscellaneous income	17.37	13.77
Total	348.28	172.64

Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Raw materials and packing materials		
Opening stock	266.51	387.84
Add: Purchases during the year	970.67	1,019.94
Less: Closing stock	(274.26)	(266.51)
Total	962.92	1,141.27

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Inventories at the beginning 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

Addition due to business combination (refer note 27.4)		
Stock-in-trade	139.81	-
	139.81	-
Inventories at the end of the year		
Stock-in-trade	453.75	182.74
Finished goods	151.60	149.12
Work-in-progress	33.02	35.18
	638.37	367.04
Net decrease in Stock	(131.52)	85.01

Note 22: Employee benefits expenses

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages and bonus	2,928.20	2,244.02
Contribution to provident and other funds (Refer note 28)	199.18	124.37
Share based payments to employees (Refer note 35)	32.87	31.21
Staff welfare expenses	156.45	125.60
Total	3,316.70	2,525.20

Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Power and fuel	44.58	44.08
Consumption of stores and spares (Indigenous)	24.48	32.39
Labour and security	25.38	27.90
Testing charges	7.22	15.87
Rent	21.06	13.34
Formulation Development Expense	56.06	61.00
Freight and forwarding	166.69	128.18
Commission	209.57	171.71
Advertising, publicity and awareness	31.22	35.53
Repairs and maintenance	143.47	82.62
Selling and distribution	993.24	1,042.30
Commission and sitting fees to independent directors	18.24	16.80
Representative Allowance	770.33	622.01
Travelling and conveyance	524.37	399.51
Communication expenses	7.81	9.70
Legal and professional	529.71	309.55
Rates and taxes	76.26	77.82
Insurance	12.83	9.71

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Payments to auditors (Refer note below)	10.42	6.70
Royalty Expense	86.70	4.60
Corporate social responsibility expenditure (Refer note 32)	83.85	75.83
Loss on property plant and equipment sold/written off	21.42	8.55
Donations *	150.30	0.08
Provision for doubtful debt / other financial assets	53.73	-
Miscellaneous	141.66	171.30
Total	4,210.60	3,367.07

* Donation includes amount paid to Bhartiya Janta Party ₹150 million.

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Statutory Audit fee	9.79	5.15
Reimbursement of expenses	0.01	-
Certification fees and other services	0.62	1.55
Total	10.42	6.70
Certification fees and other services charged, debited to other than profit or loss	-	2.06
Grand Total	10.42	8.76

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest expense	544.55	177.67
Interest on Lease Liability	29.65	30.43
Total	574.20	208.10

Note 25: Earnings per share

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net profit after tax for the year (₹ in million)	2,997.12	3,980.08
Weighted average number of equity shares outstanding for basic earning per share	13,60,13,584	13,59,78,947
Add : Dilutive share -Employees stock options outstanding	1,67,527	1,89,163
Weighted average number of equity shares outstanding for diluted earning per share	13,61,81,111	13,61,68,109
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	22.04	29.27
Diluted earnings per share (in ₹)	22.01	29.23

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 26: 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.

Note 27: Mergers and acquisition

Note 27.1 a : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)

During the the Financial Year 2022-23, 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).

EOHPL's business predominantly comprised of brands in Dermatology and Women's Health segments.

Note 27.1 b : Operation integration of the domestic formulations business and brand transfer of subsidiary Eris Oaknet Healthcare Private Limited (EOHPL)

"During the year, the Company 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 2, pursuant to a Deed of assignment of Trademark entered into between Eris Oaknet Healthcare Private Limited (EOHPL) and Eris Lifesciences Limited (ELL), ELL has acquired all the rights, title and interest to the certain trademarks owned by the EOHPL, for a consideration of ₹ 3,401.04 million (including transaction costs), being the Net book value of the said trademarks on the date of the transfer."

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 - 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.

"Equity Shares of face value ₹ 10 each credited as fully paid up of Aprica Healthcare Limited in the ratio of 1 Equity Share of the face value of ₹ 10 each of Aprica Healthcare Limited for every 2 equity shares of ₹ 10 credited as fully paid-up held by such equity shareholders in Eris Healthcare Private Limited before capital reduction.

Movement in investment in Eris books due to demerger is given below."

Particulars	Aprica		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 Financial Year 2022-23, the Company has completed acquisition of 9 brands of Dr. Reddy's Laboratories Limited a consideration of ₹ 2,750 Million.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 27.4 : Acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited

During the year the Company has completed acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of ₹ 3,660.00 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 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) For the Year ended March 31, 2024
Assets	
Value of Identified Intangible Assets- Brands	3,466.64
Inventories	139.81
Trade Receivables	91.14
Other Asset	32.99
Total Assets	3,730.58
Liabilities	
Trade Payable	95.62
Other Liabilities	8.32
Total Liabilities	103.94
Net Assets	3,626.64
Less: Purchase consideration *	3,660.00
Goodwill (refer note below)	33.36

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.

Note 27.5 : Acquisition of 51% shares of Swiss Parenterals Limited

During the the year, the Company completed the acquisition of 28,46,639 equity shares representing 51% of equity share capital for an agreegate consideration of ₹ 6,383 million (including transaction cost) of Swiss Parenterals Limited (SPL) and obtained control on February 15, 2024 from its erstwhile shareholders. 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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 27.6 : Acquisition of the Branded Formulations India business units from Biocon Biologics Limited

The Company entered into definitive agreement for acquisition of Branded Formulations India business units from Biocon Biologics Limited on March 14, 2024. Subsequent to the year end, the Company has completed the acquisition 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 tenure 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 were re-financed by way of issuance of long term non-convertible debentures in June 2024. Funds received was parked in Fixed Deposit as earmarked for the payment of above acquisition.

Note 27.7: Demerger of domestic formulations business of subsidiary Eris Oaknet Healthcare Private Limited (EOHPL)

“Subsequent to the year end, the Board of Directors have approved Composite scheme of arrangement u/s 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013, amongst Eris Lifesciences Limited and Eris Oaknet Healthcare Private Limited and their respective Shareholders and Creditors.

The Scheme is subject to necessary statutory and regulatory approvals under the applicable laws, including approval of the jurisdictional Hon'ble National Company Law Tribunal.”

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 ₹ 112.71 million (Previous Year ₹81.56 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 ₹ 1.99 million (Previous year ₹2.40 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 ₹ 40.11 million (Previous Year ₹15.95 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, 2024:”

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	196.85	182.93
Current Service Cost	36.19	24.09
Transfer in/(out) obligation	43.85	3.75
Interest Cost	14.00	8.92
Actuarial (gain)/loss on obligation	-	
- Due to change in Financial Assumptions	24.30	(7.50)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	17.08	8.36
Benefits paid	(27.79)	(23.70)
Obligations at the end of the year	304.48	196.85
(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	165.84	165.65
Interest Income	11.07	8.55
Return on plan assets excluding interest income	(1.02)	(1.43)
Employer Contributions	29.07	16.77
Benefits paid	(19.89)	(23.70)
Fair Value of plan assets at the end of the year	185.07	165.84
(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	304.48	196.85
Less : Fair value of plan assets	(185.07)	(165.84)
Funded status (deficit)	119.41	31.01
Net liability recognised in the financial statement	119.41	31.01
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	36.19	24.09
Interest Cost Net	2.93	0.37
Expense charged to the statement of profit and loss	39.12	24.46

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.02	1.43
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	24.30	(7.50)
- Due to change in Demographic Assumptions	-	-
- Due to experience adjustments	17.08	8.36
Expense charged to other comprehensive income	42.40	2.29
Assumptions:		
Discount rate	7.20%	7.30%
Estimated rate of return on plan assets	7.20%	7.30%
Annual increase in salary costs	10.00%	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	301.02	194.70
Decrease of 0.5% in discount rate	308.03	199.05
Increase of 0.5% in salary escalation rate	307.65	198.94
Decrease of 0.5% in salary escalation rate	301.38	194.83
Expected future Cash outflows towards the plan are as follows :		
Year 1	110.21	70.76
Year 2	69.75	47.86
Year 3	51.08	35.13
Year 4	39.34	24.87
Year 5	27.41	17.84
Year 6 to 10	57.31	33.47

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Investment details of plan assets:		(₹ in million)	
Particulars	As at		As at
	March 31, 2024	%	March 31, 2023%
Insurer managed funds with Life Insurance Corporation of India	94%		95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	6%		5%

Notes:

- 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.
- 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.
- Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
- The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
- The expected contribution to be made by company for gratuity during financial year ending March 31, 2025 is ₹40.53 million (previous year ₹27.19 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)

	As at March 31, 2024		As at March 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	2,399.71	2,399.71	2,292.18	2,292.18
Cash and cash equivalents	519.35	519.35	474.82	474.82
Other bank balances	12,448.04	12,448.04	1.67	1.67
Investment in tax free bonds	5.00	5.00	5.00	5.00
Loans	483.20	483.20	1,181.62	1,181.62
Other Financial Asset	74.18	74.18	71.37	71.37
Fair value through profit or loss :				
Investment in mutual funds	-	-	300.05	300.05
Investment in tax free bonds	3.26	3.26	3.30	3.30
Investment in equity instruments (other than investment in subsidiaries)	67.16	67.16	28.62	28.62
Total	15,999.90	15,999.90	4,358.63	4,358.63

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ in million)

	As at March 31, 2024		As at March 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial Liabilities :				
Amortised cost :				
Borrowings	25,294.49	25,294.49	3,168.71	3,168.71
Trade payables	1,388.42	1,388.42	830.74	830.74
Other financial liabilities	119.76	119.76	84.42	84.42
Lease Liability	425.34	425.34	412.15	412.15
Total	27,228.01	27,228.01	4,496.02	4,496.02

(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, 2024	Level 1	Level 2	Level 3	Total
Financial assets :				
Equity instruments	-	-	67.16	67.16
Tax free bonds	3.26	-	-	3.26
Total	3.26	-	67.16	70.42
Financial Liabilities :				
	-	-	-	-
Net Assets/(Liabilities)	3.26	-	67.16	70.42

(₹ in million)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets :				
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

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 a 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 ₹ 3.26 million and ₹ 303.35 million as at March 31, 2024 and March 31, 2023 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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹15,990.90 million and ₹4,358.63 million as at March 31, 2024 and March 31, 2023 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, 2024	Less than 1 year	1-3 years	More than 3 years
Borrowings	20,552.07	3,727.34	1,016.00
Trade payables	1,388.42		
Other financial liabilities	111.16		
Lease Liabilities	103.24	194.47	214.55
	22,154.89	3,921.81	1,230.55
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

(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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

The Company's adjusted net debt to equity ratio was as follows.

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans and borrowings	25,719.83	3,580.86
Less : Cash and cash equivalents	519.35	474.82
Net debt	25,200.48	3,106.04
Total equity	25,240.22	22,218.84
Net debt to adjusted equity ratio	1.00	0.14
Debt equity ratio considering borrowings and lease as debt	1.02	0.16

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024; 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, 2024, 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 2024, 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 ₹55.34 million. (Previous year ₹ 29.53 million.)"

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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
	Eris Pharmaceuticals Private Limited (Subsidiary of Eris Healthcare Private Limited)
	Swiss Parenterals Limited (w.e.f. February 15, 2024)
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)	Mr. Parv Bakshi
Son of Mr. Inderjeet Singh Negi (Whole time director) (From November 01, 2023)	Mr. Sarthak Negi
4. Other Related parties	
Post-employment benefit plan	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund
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	M.J. Biopharm Private Limited
Entity controlled by shareholder having more than 10% shares	Kanchan Pharma Private Limited
Entity controlled by Promotor	Shah & Company

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
(A) Nature of transactions	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Investment in Preference share capital	-	500.01	-	-	-	-	-	-	-	500.01
Loans Given	2,105.40	4,277.50	-	-	-	-	-	-	2,105.40	4,277.50
Loans Received back	2,930.83	3,454.18	-	-	-	-	-	-	2,930.83	3,454.18
Loan taken	1,064.22	325.00	-	-	-	-	-	-	1,064.22	325.00
Loan repaid	100.00	325.00	-	-	-	-	-	-	100.00	325.00
Sales of Finished goods	80.91	120.10	-	-	-	-	401.01	-	481.93	120.10
Sales of Stock-in-trade	10.85	5.81	-	-	-	-	-	-	10.85	5.81
Sales of Raw material / packing material	0.02	-	-	-	-	-	-	-	0.02	-
Purchases of Stock-in-trade	634.61	0.74	-	-	-	-	-	-	634.61	0.74
Royalty Income	7.18	4.92	-	-	-	-	-	-	7.18	4.92
Purchase of Intangible assets	3,396.80	-	-	-	-	-	-	-	3,396.80	-
Composite support service income	80.56	0.72	-	-	-	-	-	-	80.56	0.72
Interest Income	78.33	73.04	-	-	-	-	-	-	78.33	73.04
Royalty Expense	215.86	7.85	-	-	-	-	-	-	215.86	7.85
Reimbursement of expense incurred	-	2.27	2.16	2.17	0.36	-	0.36	-	2.88	4.45
Reimbursement of expense received	-	3.85	-	-	-	-	-	-	-	3.85
Guarantee Commission income	57.43	12.14	-	-	-	-	-	-	57.43	12.14
Interest expense	1.43	17.00	-	-	-	-	-	-	1.43	17.00
Sales of property plant and equipment	-	0.41	-	-	-	-	-	-	-	0.41
Other Expenses	-	1.50	-	-	-	-	18.19	-	18.19	1.50
Remuneration*	-	-	132.29	131.20	-	-	5.52	5.52	137.81	136.72
Sitting fees	-	-	2.93	3.30	-	-	-	-	2.93	3.30
Commission	-	-	14.41	13.50	-	-	7.98	8.10	22.39	21.60
Stock Options exercised	-	-	1.93	0.38	-	-	-	-	1.93	0.38
Professional fees (Capitalised to intangible and in investment) to Firm in which director is a partner	-	-	-	-	-	-	15.30	19.14	15.30	19.14
Professional fees to Firm in which director is a partner	-	-	-	-	-	-	1.86	-	1.86	-
Salary expense	-	-	-	-	1.92	0.51	-	-	1.92	0.51
Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-
Contribution to Post-employment benefit plan	-	-	-	-	-	-	29.07	16.76	29.07	16.76

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(B) Balances at the end of the year	As at March 31,2024	As at March 31,2023	As at March 31,2024	As at March 31,2023	As at March 31,2024	As at March 31,2023	As at March 31,2024	As at March 31,2023	As at March 31,2024	As at March 31,2023
Perpetual bond	200.00	200.00	-	-	-	-	-	-	200.00	200.00
Trade Receivable	215.21	17.20	-	-	-	-	577.85	-	793.06	17.20
Trade payable	10.58	1.22	7.01	7.72	0.24	0.04	6.61	0.31	24.44	9.29
Loans Taken	965.51	-	-	-	-	-	-	-	965.51	-
Loans Given	457.36	1,158.94	-	-	-	-	-	-	457.36	1,158.94

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1.	Transaction with Subsidiaries		
	Eris M J Biopharm Private Limited		
	Loans Given	495.00	427.50
	Loans Received Back	318.43	342.96
	Investment in Preference share capital	-	500.01
	Composite support service income	5.43	0.12
	Interest Income	17.03	21.47
	Reimbursement of expense incurred	-	1.95
	Reimbursement of expense received	-	2.29
	Aprica Healthcare Limited		
	Sales of Finished goods	70.46	64.32
	Royalty Income	5.26	4.68
	Loans Given	137.59	-
	Composite support service income	3.90	0.12
	Reimbursement of expense incurred	-	-
	Royalty expense	4.75	4.60
	Eris Healthcare Private Limited		
	Royalty expense	-	3.26
	Sales of Finished goods	10.45	55.78
	Loans given	237.50	80.00
	Loans Received back	470.89	111.82
	Composite support service income	5.61	0.30
	Sales of property plant and equipment	-	0.35
	Other Expenses	-	1.44
	Purchases of Stock-in-trade	99.36	(0.28)
	Interest income	8.36	27.08
	Royalty income	1.92	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

		(₹ in million)	
Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited) (Refer note 27)			
	Sales of Stock-in-trade	10.85	5.81
	Loans given	70.00	2,500.00
	Purchase of Intangible assets	3,396.80	-
	Loans Received back	250.00	2,320.00
	Loan taken	270.00	325.00
	Loan repaid	-	325.00
	Purchases of Stock-in-trade	524.00	-
	Composite support service income	0.12	0.06
	Guarantee Commission income	11.68	4.78
	Interest expense	0.14	17.00
	Interest income	1.17	6.60
	Royalty expense	81.24	
	Royalty income	-	0.23
Eris Therapeutics Limited			
	Loans given	1,302.90	1,270.00
	Guarantee Commission income	45.75	7.35
	Composite support service income	63.72	0.12
	Other Expenses	-	0.06
	Royalty expense	129.87	-
	Sales of property plant and equipment	-	0.06
	Sales of Raw material / packing material	0.02	-
	Purchases of Stock-in-trade	-	1.02
	Reimbursement of expense incurred	-	0.32
	Reimbursement of expense received	-	1.56
	Loans Received back	1,891.51	679.39
	Loan taken	794.22	
	Loan repaid	100.00	
	Interest Expense	1.29	
	Interest Income	51.77	17.89
Swiss Parenterals Limited			
	Composite support service income	1.78	-
	Purchases of Stock-in-trade	11.25	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

C) Transactions with related parties are as follows:

(₹ in million)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
2.	Key Management Personnel compensation		
	Remuneration *	132.29	131.20
	Sitting fees	2.93	3.30
	Reimbursement of expense incurred	2.16	2.17
	Commission	14.41	13.50
	Stock Options exercised	1.93	0.38
3.	Close family member of Key Management Personnel compensation		
	Salary expense	1.92	0.51
	Reimbursement of expense incurred	0.36	
4.	Other Related parties		
	Contribution to Post-employment benefit plan	29.07	16.76
	Remuneration to promotor	5.52	5.52
	Sales of Finished goods	401.01	-
	Other Expenses	18.19	-
	Reimbursement to promotor	0.36	
	Commission to entity controlled by promotor	7.98	8.10
	Professional fees (Capitalised to intangible and in investment) to Firm in which director is a partner	15.30	19.14
	Professional fees to Firm in which director is a partner	1.86	
	Remuneration to Key Management Personnel of subsidiaries	-	-
	Reimbursement of expense to Key Management Personnel of subsidiaries	-	-

* 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 ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

D) Balances with related parties at end of the year:		(₹ in million)	
Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1.	Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)		
	Loans Given	317.82	138.43
	Trade payable	-	0.02
	Trade Receivable	0.37	-
2.	Aprica Healthcare Limited		
	Loans Given	137.64	-
	Perpetual bond	200.00	200.00
	Trade Receivable	8.67	7.01
	Trade Payable	-	1.15
3.	Eris Healthcare Private Limited		
	Loans Given	1.90	239.22
	Advance to Creditors	-	-
	Trade receivable	1.48	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
	Loans Taken	270.13	-
	Trade receivable	-	9.51
5.	Eris Therapeutics Limited		
	Loans Given	-	601.29
	Loans Taken	695.38	-
	Trade receivable	204.68	-
6.	Swiss Parenterals Limited		
	Trade Payable	10.58	-
7.	Key Management Personnel compensation		
	Trade Payable	7.01	7.72
8.	Close family member of Key Management Personnel compensation		
	Trade Payable	0.24	0.04
9.	Other Related parties		
	Trade Payable	6.61	0.31
	Trade Receivable	577.85	-
D) Guarantee given to banks on behalf of subsidiaries:			
	Eris Therapeutics Limited	3,050.00	1,700.00
	Eris Oaknet Healthcare Private Limited	-	4,350.00

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 2024		March 31, 2023		2023-24	2022-23
	Amount	% of Total Loan	Amount	% of Total Loan		
Related Parties	457.36	94.65%	1,158.94	97.61%	2,357.34	3,895.35
Eris Healthcare Private Limited	1.90	0.39%	239.22	20.15%	326.72	363.39
Eris M.J.Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	317.82	65.77%	138.43	11.66%	330.93	480.67
Aprica Healthcare Limited	137.64	28.49%	-	0.00%	137.64	-
Eris Therapeutics Limited	-	0.00%	601.29	50.64%	1,313.29	601.29
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	-	0.00%	180.00	15.16%	248.75	2,450.00

Notes

- The loanees did not hold any shares in the Share capital of the Company.
- 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:

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Corporate Social Responsibility expenses for the year	83.85	75.83
Nature of CSR activities		
Medical	82.71	74.75
Educational	1.14	1.08
Other	-	-
Gross amount required to be spent by the company during the year.	83.65	75.83
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	83.85	75.83
Details of related party transactions	-	-
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	-	-

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Excess amount for set off		(₹ in million)	
Particulars	As at March 31, 2024	As at March 31, 2023	
i) Two percent of average net profit of the Company as per section 135(5)	83.65	75.83	
ii) Total amount spent for the Financial Year	6.27	23.47	
iii) Excess / (short) amount spent for the Financial Year [(ii)-(i)]	(77.38)	(52.36)	
iv) Amount available for set off from preceding financial years	77.58	129.94	
v) Amount available for set off in succeeding financial years [(iii)+(iv)]	0.20	77.58	

Note 33: Contingent Liability and Capital Commitment		(₹ in million)	
Particulars	As at March 31, 2024	As at March 31, 2023	
Claims against the Company not acknowledged as debts:			
Notices relating to DPCO Matters (refer note below)	191.31	182.42	
Notices regarding Income-tax matters and from Goods and services tax department	12.90	1.06	
Others (Includes ₹ 50 million (Previous year ₹ 50 million {refer note 6})	70.38	70.38	

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 :

- a) ₹0.62 million for Property Plant & Equipment (Previous year ₹8.40 million)
- b) ₹2,375 million for acquisition of business
- c) ₹12,420 million for acquisition of shares of subsidiary.

The Company has given corporate guarantee to banks for credit facilities upto ₹3,050 million (Previous year ₹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 ₹Nil (Previous year ₹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.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation	91.47	83.22
Finance costs on lease liability	29.65	30.43
Cash Flow From Lease	(63.47)	(48.39)
Cash Flow From Lease interest	(29.65)	(30.43)

Movement in lease liabilities	As at March 31, 2024	As at March 31, 2023
Lease liability at the beginning of the year	412.15	381.77
Additions	73.82	78.76
Redemption	(60.63)	(48.38)
Lease liability at end of the year:	425.34	412.15
of which:		
Current portion	75.12	55.39
Non current portion	350.22	356.76

Maturity analysis of lease liabilities

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum lease payments due		
Within 1 year	103.24	82.47
1-3 years	194.47	171.55
Above 3 years	214.55	260.79

Note 35: ESOP

The employee compensation cost as per fair value method for the financial year 2023-24 is ₹ 32.87 million and for financial year 2022-23 is ₹ 31.21 million.

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

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 1,15,783 and 1,14,736 options have lapsed till March 31, 2024 and March 31, 2023 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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	47,016	451.04	1,07,536	451.04
Granted during the year	-	-	-	-
Vested during the year	-	451.04	53,710	451.04
Exercised during the year	18,332	451.04	60,520	451.04
Lapsed during the year	1,047	451.04	-	451.04
Options outstanding at the end of the year	27,637	451.04	47,016	451.04
Options available for grant	1,14,736	-	1,14,736	-
Options exercisable at the end of the year	27,637	-	47,016	-

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, 2024

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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	1,90,138	557.24	2,14,102	557.24
Granted during the year *	-	-	-	-
Vested during the year	48,705	557.24	53,512	557.24
Exercised during the year	17,710	557.24	1,521	557.24
Lapsed during the year	12,580	557.24	22,443	557.24
Options outstanding at the end of the year	1,59,848	557.24	1,90,138	557.24
Options available for grant	5,83,199	-	8,64,960	-
Options exercisable at the end of the year	72,163	-	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

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,72,386	510.32	-	510.32
Granted during the year *	-	-	2,79,568	-
Vested during the year	68,096	510.32	-	510.32
Exercised during the year	-	510.32	-	510.32
Lapsed during the year	18,181	510.32	7,182	510.32
Options outstanding at the end of the year	2,54,205	510.32	2,72,386	510.32
Options available for grant	5,83,199	-	8,64,960	-
Options exercisable at the end of the year	63,551	-	-	-

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

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

D. 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, 2,75,597 (Two lakhs seventy five thousand five hundred ninety seven 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 ₹ 728.16. 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, 2024. 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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	728.16	-	-
Granted during the year *	2,81,761	-	-	-
Vested during the year	-	728.16	-	-
Exercised during the year	-	728.16	-	-
Lapsed during the year	-	728.16	-	-
Options outstanding at the end of the year	2,81,761	728.16	-	-
Options available for grant	5,83,199	-	-	-
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, 2024
	Weighted average
Stock Price (₹)	910.20
Volatility	30.80%
Risk-free Rate	7.05%
Exercise Price (₹)	728.16
Time To Maturity (In years)	7.50
Dividend yield	0.00%
Option Fair Value(`)	385.61

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 2024	March 31, 2023
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	106.25	118.05
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, 2024

Note 37 (A): Financial Ratio

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance	Remarks for variance
Liquidity Ratio (in times)						
Current Ratio	Current Assets	Current Liabilities	0.83	1.95	-57.35%	Due to increase in current liabilities like borrowings, trade payables.
Solvency Ratio (in times)						
Debt – Equity Ratio	Total Debt(1)	Shareholder's Equity	1.02	0.16	532.28%	Due to increase in borrowing in current year for business combinations.
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	3.20	22.40	-85.71%	Due to increase in borrowing in current year for business combinations.
Profitability ratio (in %)						
Net profit ratio	Profit After Tax	Sale of products	20.16%	30.45%	-33.79%	Due to increase in depreciation, finance cost.
Return on Equity (ROE):	Profit After Tax	Average Shareholder's Equity	12.63%	19.23%	-34.30%	Due to increase in depreciation, finance cost.
Return on capital employed (ROCE)	Earning before interest and tax	Capital Employed (4)	6.10%	24.95%	-75.54%	Due to increase in depreciation.
Return on investment (ROI)	Income generated from investments	Time weighted average investments	45.47%	2.32%	1863.65%	Mainly due to Market indices.
Utilization Ratio (in times)						
Trade receivables turnover ratio	Sale of products	Closing Trade Receivables	6.06	5.70	6.31%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.61	3.18	13.30%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	5.23	4.68	11.73%	
Net capital turnover ratio	Net Sales	Working Capital	-3.78	4.87	-177.51%	Due to increase in borrowing.

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 unaudited 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, 2024. (Refer Note 10)
 - (b) Investment made by the Company as at March 31, 2024. (Refer Note 3)
 - (c) Guarantee given by the Company as at March 31, 2024. (Refer note 33)

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

- 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.
- xv) The Company has used an accounting software for maintaining its books of account for the period April 1, 2023 to December 31, 2023 which had a feature of recording audit trail (edit log) facility and the same had operated throughout the said period for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

This legacy ERP system was nearing the end of its lifespan and was experiencing significant performance issues. The system's compute capacity and overall infrastructure was insufficient to handle the additional load and overheads associated with the audit trail read/write operations at the database level. Enabling this feature would have further strained the system, potentially leading to crashes and severe disruptions in daily operations.

Hence the Company has migrated to another accounting software (SAP /4HANA) on January 1, 2024 for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same was operational for all relevant transactions recorded in the software, except that, audit trail feature was not enabled for privileged access users for smooth functioning during the migration period.

During the system implementation of the new accounting software (SAP), as part of the system hyper-care period, privileged access was enabled for swift issue resolution. The Company is presently streamlining the process for user provisioning and privileged access to ensure compliance; with a Change Control Mechanism to be instituted shortly."

NOTES ON STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 38: Items included in Financial Activities

Disclosure under para 44(a) as set out in Ind AS 7 on Cash Flow Statement under Companies (Indian Accounting Standards) rules 2014 (as amended).

	As at March 31,2023	Cash Flows	Net Additions	Other Changes	(₹ in million) As at March 31, 2024
Lease Liability	412.15	(88.11)	76.66	24.34	425.34
Borrowing	3,168.71	22,126.70	-	(0.92)	25,294.49

	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

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: August 2, 2024

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, 2024, 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 ended on that date, and notes to the financial statements, including a summary of material 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 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 (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, 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 the other auditors in terms of their reports referred to in the Other Matters 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 Respons
1.	<p>Business Combinations - Acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited.</p> <p>(Refer to Note 27.3 to the Consolidated Financial Statements)</p> <p>During the current financial year, the Parent Company has acquired Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of Rs. 3,660 million.</p>	<p>Principal audit procedures performed:</p> <p>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.</p>

	<p>The Parent Company has accounted the acquisitions 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 respective acquisition dates.</p> <p>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.</p> <p>In view of the foregoing, Purchase Price Allocation in respect of the Business Combination has been identified as a Key Audit Matter.</p>	<p>2. Our substantive procedures included,</p> <p>(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.</p> <p>(ii) considering and evaluating cash flow projections, the reasonableness of key assumptions including revenue growth rates and net profit margin</p> <p>(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.</p>
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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, 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 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.
- 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.

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 accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 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 and 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 intend 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 controls 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 financial controls 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 of six subsidiaries, whose financial statements reflect total assets of Rs. 10,453.93 million as at March 31, 2024, total revenues of Rs. 5,662.05 million and net cash inflows amounting to Rs. 123.79 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements 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 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 maintained by the Group including relevant records 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 except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
 - 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, 2024, 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 companies, is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.
- g) 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.
- h) 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, 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.
- i) 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 that, to the best of their knowledge and belief, as disclosed in the note 35B(i) 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 persons or entities, 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 that, to the best of their knowledge and belief, as disclosed in the note 35B(ii) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any persons or entities, 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 that have been considered reasonable and appropriate in the circumstances performed by us 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), contain any material misstatement.
- v) The Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi) Based on our examination, which included test checks and that performed by the auditor of the subsidiaries and based on the other auditor's report of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent, and as reported by the other auditor for four of its subsidiary companies, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:
- a) In respect of one software used during the period April 1, 2023 to December 31, 2023 the audit trail was not enabled at the database level to log any direct data changes,
- b) In respect of another software used from January 1, 2024, the audit trail feature was not enabled for privileged access users.
- In respect of one subsidiary company incorporated in India, audit trail was not enabled at the database level to log any direct data changes, as reported by the other auditor.
- Further, during the course of audit, we and respective other auditor, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. (refer note 35(B) (xv) to the Consolidated financial statements).
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024,.
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: 24116642BKDLDS4223)

Place: Ahmedabad
Date: August 02, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (g) 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 at and for the year ended March 31, 2024, 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 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 auditors 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 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, 2024, 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 six 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 matters.

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

Place: Ahmedabad
Date: August 02, 2024

(Hardik Sutaria)
(Partner)
(Membership No. 116642)
(UDIN: 24116642BKDLDS4223)

CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(₹ in million)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS :			
(1) Non current assets			
(a) Property, Plant and Equipment	2(a)	4,562.14	3,039.84
(b) Right-of-use asset	2(a)	483.83	520.17
(c) Capital Work in progress	2(a)	190.56	213.78
(d) Goodwill	2(b)	8,612.13	3,318.49
(e) Other Intangible assets	2(b)	29,617.14	18,802.53
(f) Intangible assets under development	2(b)	6.11	3.43
(g) Financial assets			
Investments	3	155.43	66.93
Loans	10	10.42	9.64
Other financial asset	5	93.29	76.53
(h) Income tax assets (net)	4(d)	489.49	45.48
(i) Deferred tax assets (net)	4(f)	3,069.41	2,739.45
(j) Other non-current assets	6	177.69	189.79
Total Non current assets		47,467.64	29,026.06
(2) Current assets			
(a) Inventories	7	1,890.32	1,314.35
(b) Financial assets			
Investments	3	0.02	300.07
Trade receivables	8	4,220.24	2,927.09
Cash and cash equivalents	9(a)	942.45	560.22
Other bank balances	9(b)	13,063.85	24.35
Loans	10	55.59	39.86
Other financial asset	5	22.21	7.79
(c) Other current assets	6	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	11	136.03	135.99
(b) Other Equity	12 (a)	25,725.16	21,823.89
Equity attributable to the owners of the company		25,861.19	21,959.88
(c) Non-controlling interest	12 (b)	6,359.12	246.89
Total Equity		32,220.31	22,206.77

(₹ in million)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(2) Non Current Liabilities			
(a) Financial Liabilities			
Borrowings	13	6,545.07	6,444.47
Lease Liabilities	14	370.19	389.74
Other financial liabilities	14	62.78	69.18
(b) Long-term provisions	15	527.23	441.19
(c) Other non-current liabilities	16	13.84	113.22
(d) Deferred tax liabilities (net)	4(f)	5,428.18	2,576.38
Total Non Current Liabilities		12,947.29	10,034.18
(3) Current liabilities			
(a) Financial Liabilities			
Borrowings	13	20,807.60	1,855.69
Lease Liabilities	14	89.83	77.21
Trade payables	17		
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	14	233.85	301.15
(b) Short-term provisions	15	620.49	694.37
(c) Other current liabilities	16	489.62	217.22
(d) Income tax liabilities (net)	4(e)	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

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: August 02, 2024
For and on behalf of the Board of Directors
Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad
Date: August 02, 2024
Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Milind Talegaonkar

Company Secretary

Membership No-A26493

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
REVENUE:			
Revenue from operations			
Sale of products and services	18	19,912.95	16,618.16
Other operating income		178.48	233.33
Total Revenue from Operations		20,091.43	16,851.49
Other income	19	238.15	111.53
Total Revenue (I)		20,329.58	16,963.02
EXPENSES:			
(a) Cost of materials consumed	20	1,778.08	1,421.99
(b) Purchases of stock-in-trade		2,015.15	2,063.33
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	7.21	38.18
(d) Employee benefits expense	22	4,038.15	3,461.57
(e) Other expenses	23	5,504.54	4,498.96
Total (II)		13,343.13	11,484.03
Profit before interest, tax, depreciation and amortisation (I - II)		6,986.45	5,478.99
Finance costs	24	848.01	261.68
Depreciation and amortisation expense	2(c)	1,826.05	1,170.88
Profit before tax		4,312.39	4,046.43
Tax expenses :			
(a) Current tax	4	822.19	746.59
(b) Deferred tax		(480.34)	(441.76)
Total tax expense		341.85	304.83
Profit for the year		3,970.54	3741.60
Attributable to :			
- Owners of the company		3,919.83	3,821.58
- Non controlling interest		50.71	-79.98
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(46.08)	(0.05)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		15.57	0.64
		(30.51)	0.59
Total Comprehensive Income for the year		3,940.03	3,742.19

(₹ in million)

Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Attributable to :			
- Owners of the company		3,889.32	3,822.17
- Non controlling interest		50.71	(79.98)
Earnings per equity share of face value ₹ 1 each	25		
Basic (₹)		28.82	28.10
Diluted (₹)		28.79	28.07

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: August 02, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 02, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Milind Talegaonkar

Company Secretary

Membership No-A26493

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2024

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
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	21.41	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	6,854.98	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 assets	(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	5,867.59	3,689.46
Net income tax paid	(1,007.54)	(772.08)
Net cash flow from operating activities (A)	4,860.05	2,917.38
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(1,291.62)	(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)

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Repayment of loan given to others received	-	215.97
(Investment in) / proceeds of 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)	(18,545.22)	(9,821.01)
C. Cash flow from financing activities		
Proceeds from 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)
Principal element to lease payment	(8.86)	(87.12)
Payment towards acquisition of the Non-controlling interest	(102.80)	
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 / (used in) 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 year	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 year {Refer note- 9(a)}	942.45	560.22

(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	2.45	0.28
Balance with banks		
In Current Account	870.30	559.94
Cheque in hand	69.70	-
Cash and Cash Equivalents as per Cash flow statement	942.45	560.22

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: August 02, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 02, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

Milind Talegaonkar

Company Secretary

Membership No-A26493

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2024

A. Equity Share Capital								(₹ in million)
Particulars (refer note-11)								Amount
As at March 31, 2022								135.93
Change in Equity Share Capital (refer note 33)								0.06
As at March 31, 2023								135.99
Change in Equity Share Capital (refer note 33)								0.04
As at March 31, 2024								136.03
B. Other Equity								(₹ in million)
Particulars (refer note-12)	Retained Earnings	Securities Premium	Share based payment reserve	Capital reserve on amalgamation	Share application money pending allotment	Capital redemption reserve	Total Other Equity	
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 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 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	
Add: Profit for the Year	3,919.83	-	-	-	-	-	3,919.83	
Add: Other comprehensive Income for the year	(30.51)	-	-	-	-	-	(30.51)	
Add : Share application money pending allotment	-	16.44	-	-	-	-	16.44	
Less: Transfer on account of exercise of options	-	13.26	(12.36)	-	-	-	0.90	
Add:- Acquisition of stake in CCD of EOHPL from Non controlling interest	(39.87)	-	-	-	-	-	(39.87)	
Add: share based payments to employees of the Parent company	-	-	34.48	-	-	-	34.48	
As at March 31, 2024	25,408.75	180.71	50.14	83.82	-	1.74	25,725.16	

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: August 02, 2024

For and on behalf of the Board of Directors

Amit I. Bakshi

Managing Director

DIN: 01250925

Sachin Shah

Chief Financial Officer

Place: Ahmedabad

Date: August 02, 2024

Inderjeet Singh Negi

Whole Time Director

DIN: 01255388

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: Material 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 :**Subsidiaries**

- I. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2024
- II. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has
 - a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
 - b. Exposure, or rights, to variable returns from its involvement with the investee, and

- c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

- III. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a. The contractual arrangement with the other vote holders of the investee,
- b. Rights arising from other contractual arrangements,
- c. The Group's voting rights and potential voting rights,
- d. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders,
- e. Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time when decisions need to be made, including voting patterns at previous shareholders' meetings.

- IV. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

- V. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2024.

- VI. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that of the

Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

- VII. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

- VIII. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- a. Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- b. Derecognises the carrying amount of any non-controlling interest,
- c. Derecognises the cumulative translation differences recorded in equity,
- d. Recognises the fair value of the consideration received,
- e. Recognises any surplus or deficit in the consolidated statement of profit and loss,
- f. Reclassifies the parent's share of components previously recognised in other comprehensive income (OCI) to the consolidated statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

- IX. Consolidation procedure

- a. The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with the Ind AS 110 "Consolidated Financial Statements", on a line-by-line basis.
- b. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary is eliminated. Business combination policy explains how any related goodwill is accounted
- c. Intra-group balances and transactions including unrealized gains / loss from such transactions are eliminated in full. Deferred tax is recognized on any temporary difference that arise from the elimination of profits and losses resulting from intragroup transactions.

- X. 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.

1.3 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:- The goods are often sold with customers having a right to return damaged or expired products. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. (refer note 1.4 & 15)
- Useful lives of property, plant and equipment :- Property, Plant and Equipment represent a large proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation future events, which may impact their lives, such as changes in technology.(refer note 1.5)
- Useful lives of intangible assets:- The lives are based

on historical experience with similar assets as well as anticipation future events, which may impact their lives, such as changes in technology. (refer note 1.6)

- Impairment of asset:- Significant judgments are involved in determining the estimated future cash flows from the Investments, Property, Plant and Equipment and Goodwill to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials (refer note 1.9 & 2(b))
- Employee benefits:- Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans. (refer note 1.14).
- Valuation of deferred tax assets :- Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets for unused tax credits that can be recognised, based upon the likely timing and the level of future taxable profits. (refer note 1.15 & 4)
- Provisions & contingent liabilities:- Significant judgments are involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources. (refer note 1.16 ,15 &31)
- Business combination (refer note 1.7)

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 recognised, 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

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-progress, the same will be allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction 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.

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
Equipment	3 - 6 years
Furniture and Fixtures	3 - 10 years
Electric Installation	10 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 statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition are 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 / business acquired 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 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 and liabilities assumed. 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.

In accordance with Ind AS 109, the Company applies

expected credit loss [ECL] model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset. The Company follows 'simplified approach' for recognition of impairment loss allowance.

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:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- a. Raw Materials, Packing Materials, Finished Goods, Stock-in-Trade and Work-in-Progress are valued at lower of cost and net realisable value.
- b. Cost [Net of Input tax credit availed] of Raw Materials, Packing Materials, Finished Goods, and Stock-in-Trade is determined on Moving Average Method.
- c. Costs of Finished Goods and Work-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs

of completion and the estimated costs necessary to make the sale.

Write down of inventories to net realisable value is recognised as an expense and included in Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade and Cost of Material Consumed in the relevant note in the Statement of Profit and Loss.

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

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 of forex transactions and balances 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.

- A. Government grants are recognised only when there is a reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.
- B. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- C. Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related 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

As permitted by Guidance Note on Schedule III, 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, 2024

Note 2: Property, Plant and Equipment and Intangible Assets

(a) Property, Plant and Equipment and Right of use asset:

(₹ 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, 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
Additions during the Year	144.42	446.71	332.70	32.37	375.88	52.58	36.44	17.07	1,438.17	76.66
Addition due to business combination (Refer note 27.2)	18.84	193.72	229.05	7.91	47.98	27.85	30.19	-	555.54	3.06
Deductions during the year	-	0.46	7.28	-	62.67	0.51	-	-	70.92	-
As at March 31, 2024	392.44	1,879.75	1,508.03	296.75	1,073.03	262.36	230.01	109.88	5,752.26	743.99
Accumulated depreciation:										
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 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
Additions during the Year	-	50.13	61.95	22.02	251.02	22.87	16.38	14.88	439.26	116.06
Deductions during the year	-	0.46	0.15	-	38.02	0.15	-	-	38.78	-
As at March 31, 2024	-	163.21	275.98	151.47	484.11	59.41	35.75	20.17	1,190.11	260.16
Net carrying amount										
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
As at March 31, 2024	392.44	1,716.54	1,232.05	145.28	588.92	202.95	194.26	89.71	4,562.15	483.83
Capital work in progress										
As at March 31, 2023	-	-	-	-	-	-	-	-	213.78	-
As at March 31, 2024	-	-	-	-	-	-	-	-	190.56	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 31,2024	190.56	-	-	-	190.56
Total		190.56	-	-	-	190.56
Projects in Progress	March 31,2023	203.27	10.51	-	-	213.78
Total		203.27	10.51	-	-	213.78

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 31,2024	190.56	-	-	-	190.56
Total		190.56	-	-	-	190.56
Projects in progress	March 31,2023	213.78	-	-	-	213.78
Total		213.78	-	-	-	213.78

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(b) Intangible Assets :

(₹ in million)

Particulars	Goodwill	Other Intangible Assets			Total
		Trademark/ Brand/ License fees \$ *	Non compete fees	Computer Software	
Gross carrying amount:					
As at March 31, 2022	934.74	7,365.41	50.00	141.07	7,556.48
Additions during the Year	-	6,552.10	-	39.9	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
Additions during the Year	-	1.43	-	0.33	1.76
Addition due to business combination (Refer note 27.2, 27.3)	5,293.65	12,078.57	-	5.01	12,083.58
Deductions during the year	-	-	-	-	-
As at March 31, 2024	8,612.13	32,468.52	50.00	186.31	32,704.83
Accumulated amortisation:					
As at March 31, 2022	-	901	50.00	39.32	990.32
Additions during the Year	-	800	-	26.58	826.58
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
Additions during the year	-	1,242.54	-	28.19	1,270.73
Deductions during the year	-	-	-	-	-
As at March 31, 2024	-	2,943.54	50.00	94.15	3,087.69
Net carrying amount					
As at March 31, 2023	3,318.49	18,687.52	-	115.01	18,802.53
As at March 31, 2024	8,612.13	29,524.98	-	92.16	29,617.14
Intangible assets under development					
As at March 31, 2023	-	-	-	3.43	3.43
As at March 31, 2024	-	-	-	6.11	6.11

* During the year 2022-23 Trademark/ Brand/ License fees addition during the previous 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 27.6).

\$ Refer footnote to Note 13 for security / charges created.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 31,2024	2.68	-	-	3.43	6.11
Total		2.68	-	-	3.43	6.11
Projects in Progress	March 31,2023	-	-	-	3.43	3.43
Total		-	-	-	3.43	3.43

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 31,2024	3.43	2.68	-	-	6.11
Total		3.43	2.68	-	-	6.11
Projects in progress	March 31,2023	-	3.43	-	-	3.43
Total		-	3.43	-	-	3.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

1. The Group 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 ₹ 8,612.13 millions generated on acquisition of brands and businesses.

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, 2024	For the Year ended March 31, 2023
Depreciation of property plant and equipment	439.26	242.78
Amortisation of right of use assets	116.06	101.52
Amortisation of intangible assets	1,270.73	826.58
Total	1,826.05	1,170.88

(d) Goodwill :

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Eris Lifesciences Limited (On strides brand acquisition)	166.6	166.6
Business combination of Aprica Healthcare Limited	768.14	768.14
Business combination of Eris Oaknet Healthcare Private Limited (refer note 27.1a)	2,383.74	2,383.74
Business combination of Biocon Biologistics Limited (refer note 27.3)	33.36	-
Business combination of Swiss Parenterals Limited (refer note 27.2)	5,260.29	-
Total	8,612.13	3,318.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 3: Investments

(₹ in million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	5.00
Sub-total (I)		5.00		5.00
(II) At Fair Value through Profit or Loss				
(A) Investment in Tax Free Bonds (quoted)				
Rural Electrification Corporation Bond of Rs. 1,000 each	1,000	1.09	1,000	1.10
Indian Railway Finance Corporation Bond of Rs. 1,000 each	1,000	1.09	1,000	1.11
Housing and Urban Development Corporation Bond of Rs. 1,000 each	1,000	1.08	1,000	1.09
Bank of India Bond of Rs. 10,000 each (Refer note 27.2)	500	50.00	-	-
		53.26		3.30
(B) Investment in Equity Instruments				
S3V Vascular Technologies Limited (Unquoted) of Rs.10 each	381,588	67.16	381,588	28.62
Docplex Solutions Private Limited (Unquoted) of Rs.10 each	2,068	30.01	2,068	30.01
		97.17		58.63
Sub-total (II=A+B)		150.43		61.93
Total (I)+(II)		155.43		66.93
Aggregate carrying value of quoted investments		53.26		3.30
Aggregate market value of quoted investments		53.26		3.30
Aggregate carrying value of unquoted investments		102.17		63.63
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)				
SBI Overnight Fund Direct Growth	-	-	82,221	300.05
Sub-total (II)		-		300.05
Total (I)+(II)		0.02		300.07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 4 : Income Taxes

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Expense for current year	822.19	746.59
Deferred tax:		
Deferred tax benefit for year	(480.34)	(441.76)
	341.85	304.83
(b) Expense / (benefit) recognised in statement of other comprehensive income		
Re-measurement losses on defined benefit plans	(15.57)	(0.64)
	(15.57)	(0.64)
(c) Reconciliation of Effective Tax Rate :		
Profit before income taxes	4,312.39	4,046.43
Enacted tax rate in India	34.94%	34.94%
Expected income tax expenses	1,243.84	1,402.01
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses not deductible in determining taxable profit	161.53	65.82
Effect of income exempt from taxation	(1.18)	(1.47)
Tax incentives	(1,000.88)	(1,270.11)
Brought forward losses for which no deferred tax asset was recognised	-	(114.47)
Set off of Previous year losses	153.52	-
Adjustment of current tax of prior period	(0.92)	0.26
Others (net)	(229.63)	222.15
Adjusted income tax expense	326.28	304.19
Group's weighted average tax rate	7.57%	7.52%
(d) Income Tax Assets :		
		(₹ in million)
Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	45.48	42.43
Acquired due to business combination (Refer note 27.1 & 27.2)	189.77	8.54
Less: Prior period adjustment	-	(0.14)
Add: Tax paid in advance, net of provisions / (Refund) during the year	254.24	(5.35)
Closing Balance	489.49	36.94

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(e) Income Tax Liabilities :			(₹ in million)
Particulars	As at March 31, 2024	As at March 31, 2023	
Opening Balance	39.00	69.97	
Add: Prior period adjustment	(0.92)	1.98	
Acquired due to business combination (Refer note 27.2)	288.06	-	
Add: Current tax payable for the year	837.77	746.57	
Less: Taxes paid	(768.02)	(779.52)	
Closing Balance	395.90	39.00	

(f) Deferred tax assets/ liabilities :			(₹ in million)
Particulars	As at March 31, 2024	As at March 31, 2023	
Deferred tax assets			
Property, plant and equipments (including ROU net of lease liability)	149.28	58.62	
Minimum Alternate Tax credit entitlement	4,611.35	3,858.34	
Carry forward tax losses and accumulated depreciation	-	12.20	
Employee benefits	109.77	58.13	
Fair Valuation of Investment	2.06	1.51	
Others	41.56	16.87	
	4,914.02	4,005.67	
Deferred tax liabilities			
Intangible Assets	7,272.79	3,842.60	
	7,272.79	3,842.60	
Total	(2,358.77)	163.07	

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	3,069.41	2,739.45	
Deferred tax liabilities	5,428.18	2,576.38	
Net Deferred Tax	(2,358.77)	163.07	

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

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, 2024

(₹ 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, 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)	20.33	(55.30)	8.83	(441.76)
- Addition due to business combination (Refer note 27.1)					2,249.73			2,249.73
- 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	16.87	163.07
Charged/(Credited)								
- To Profit or Loss	(90.66)	(753.01)	12.20	(36.07)	412.49	(0.55)	(24.69)	(480.32)
- Addition due to business combination (Refer note 27.2)					3,017.70			3,017.70
- To other comprehensive Income	-	-	-	(15.57)	-	-	-	(15.57)
At March 31, 2024	149.28	4,611.35	(0.00)	109.77	(7,272.79)	2.06	41.56	(2,358.77)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 5: Other Financial Assets

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current (Considered Good)		
Security deposits	91.45	74.69
Fixed Deposits	1.84	1.84
	93.29	76.53
Current (Considered Good, unless otherwise stated)		
Insurance claim receivable	0.47	0.50
Interest accrued	0.80	0.64
Security deposits	8.61	1.45
Claims and Other receivables		
- Considered Good	12.33	5.20
- Considered doubtful	48.21	48.10
Less: Allowance for doubtful of recovery	(48.21)	(48.10)
	22.21	7.79
Total	115.50	84.32

Note 6: Other Assets

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Capital Advances (Refer note 31 b)	105.18	117.90
Claims and Other receivables (Refer note 31 a)	50.00	50.00
Prepaid expenses	20.75	21.89
	177.69	189.79
Current		
Prepaid expenses	256.26	172.83
Balances with government authorities		
Goods and Services Tax / Cenvat credit receivable *	1,369.59	1,565.62
Others	3.49	3.04
Expected Reimbursement Towards Likely Sales Return (Refer note 1.4b and note 15)	36.72	45.00
Advances to suppliers	1,135.88	680.75
Advances to employees	17.77	6.25
	2,826.05	2,473.49
Total	3,003.74	2,663.28

Current assets Hypothecated against working capital loan.

* Pursuant to the Scheme of Budgetary Support under Goods and Services Tax [GST] Regime the Company is entitled to avail certain benefits for the goods manufactured in the state of Assam. The requisite conditions have been fulfilled by the Company and the Company is entitled to receive such income. Required claims have been filled with the regulatory authority within the stipulated timeline.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 7: Inventories

(At lower of cost and net realisable value)

(₹ in million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Raw Material and Packing Material {including goods-in-transit ₹ 34.91 million (March 31, 2023 - ₹ 15.65 million)}	645.85	446.99
Work-in-progress	105.78	38.44
Finished goods	377.38	203.77
Stock-in-trade {including goods-in-transit ₹ 16.78 million (March 31, 2023 - ₹ 14.33 million)}	680.81	615.54
Stores, spares & consumables	80.49	9.61
Total	1,890.32	1,314.35

Current assets Hypothecated against working capital loan.

Note 8: Trade receivables

(₹ in million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Secured Considered good	-	-
Unsecured Considered good	4,355.19	2,927.09
Considered doubtful	80.87	27.09
Trade Receivables-credit impaired	8.09	8.09
	4,444.15	2,962.27
Less: Allowance for doubtful debt (expected credit loss)	223.91	35.18
Total	4,220.24	2,927.09

No dues from directors.

Current assets Hypothecated against working capital loan.

(₹ in million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening Balance	35.18	35.18
Add : Provision during the year	53.78	-
Add : Due to business combination	134.95	-
Less : Utilisation during the year	-	-
Closing Balance	223.91	35.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Trade Receivable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment						Total
		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 31,2024	3,658.76	360.76	163.31	16.35	18.59	2.48	4,220.26
	March 31,2023	2,635.37	261.25	15.00	14.96	0.51	-	2,927.09
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	March 31,2024	-	-	68.80	11.29	0.78	-	80.87
	March 31,2023	-	-	-	27.09	-	-	27.09
(iii) Undisputed Trade Receivables - Credit Impaired	March 31,2024	0.69	0.25	-	75.08	43.13	15.79	134.94
	March 31,2023	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	March 31,2024	-	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	March 31,2024	-	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	March 31,2024	-	-	-	-	1.35	6.74	8.09
	March 31,2023	-	-	-	0.09	0.80	7.20	8.09
Total	March 31,2024	3,659.46	361.01	232.11	102.72	63.85	25.01	4,444.16
	March 31,2023	2,635.37	261.25	15.00	42.14	1.31	7.20	2,962.27

Note 9: Cash and cash equivalents

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Note 9(a) : Cash and cash equivalents		
Cash on hand	2.45	0.28
Balances with banks in current accounts*	870.30	559.94
Cheques in hand	69.70	-
	942.45	560.22
Note 9(b) : Other bank balances		
In fixed deposit accounts to extent held as security deposit with GST department and Tender deposit	617.82	24.35
In fixed deposit accounts for earmarked funds for payment related to acquisition. (refer note 27.4)	12,446.03	-
Total	13,063.85	24.35

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 10: Loans

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Loans considered good - Unsecured	10.42	9.64
	10.42	9.64
Current		
Loans Receivables considered good - Secured	-	-
Loans Receivables considered good - Unsecured	55.59	39.86
Loans Receivables which have significant increase in Credit Risk	-	5.66
Loans Receivables - credit impaired	55.59	45.52
	45.52	233.70
Less: Allowance for doubtful loan to others	-	(5.66)
	55.59	39.86
Total	66.01	49.50

Note 11: Share capital

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
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 :		
13,60,28,280 (Previous year 13,59,92,238) Equity Shares of ₹1 each, fully paid up	136.03	135.99
Total	136.03	135.99

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, 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
Issued during the year (persuant to ESOP - refer Note 33)	36,042	0.04
Shares outstanding at March 31, 2024	13,60,28,280	136.03

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 2024		As at March 31, 2023	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
1. Amit Indubhushan Bakshi	5,83,35,144	42.88%	5,55,35,144	40.84%
2. Rakeshbhai Bhikhabhai Shah	66,40,981	4.88%	1,56,85,981	11.53%
3. Emerald Investments Limited	98,86,882	7.27%	1,03,12,132	7.58%
4. HDFC Mutual Fund	89,73,223	6.60%	-	0.00%

11.3 Details of promoters shareholding in the company as at the end of the year

Name of the shareholder	As at March 31, 2024			As at March 31, 2023	
	No. of equity shares held	% of ShareParent	% Changes during the year	No. of equity shares held	% of ShareParent
1. Amit Indubhushan Bakshi	5,83,35,144	42.88%	5.04%	5,55,35,144	40.84%
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*					

*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 4,50,926 as on March 31, 2024 (Previous year 4,75,801).

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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 12(a) : Other Equity

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earnings	25,408.75	21,559.30
Capital Reserve on amalgamation of subsidiaries	83.82	83.82
Securities Premium	180.71	151.01
Share based payment reserve	50.14	28.02
Capital redemption reserve	1.74	1.74
Total	25,725.16	21,823.89

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. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

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. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

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. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Security premium : The amount received in excess of the par value of equity shares has been classified as securities premium. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Note 12(b) : Non-controlling interest

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Eris M.J.Biopharm Private Limited	(126.57)	(81.01)
Eris Pharmaceuticals Private Limited	(0.05)	(0.05)
Eris Oaknet Healthcare Private Limited	264.48	327.95
Swiss Parenterals Limited	6,221.27	-
Total	6,359.12	246.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 13: Borrowings

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
(a) Secured	6,545.07	6,444.47
From Banks - Term Loan	6,545.07	6,444.47
Current		
(a) Secured		
From Banks - Term Loan	3,319.47	1,305.58
From Banks - Working capital Loan	3,295.07	550.00
Non convertible debentures (refer note 27.2)	4,375.00	-
(a) Unsecured		
Unsecured loan from Others	68.06	0.11
Commercial papers	9,750.00	-
	20,807.60	1,855.69
Total	27,352.67	8,300.16

Name of the Borrower	Rate of Interest	Type of Facility	Disbursed Amount (₹ in million)	Outstanding Limit as on March 31, 2024 (₹ in million)	Secured against	Total No of instalment / Tenure	Instalment Starting from
Eris Lifesciences Limited	Repo +1.55%	Term Loan	2,620.00	2,095.00	Acquired Brands	16	Jun-23
Eris Lifesciences Limited	T-bill +1.29%	Term Loan	2,800.00	2,566.67	Acquired Brands	12	Feb-24
Eris Lifesciences Limited	T-bill +1.70%	Term Loan	1,098.30	378.64	Acquired Brands	10	Oct-23
Eris Lifesciences Limited	T-bill +1.30%	Term Loan	2,120.00	2,004.00		16	Oct-23
Eris Lifesciences Limited	9%	Commercial Paper	9,750.00	9,750.00	Nil	90 Days	Repayment in June 24.
Eris Lifesciences Limited	8%	Non-Convertible Debentures	4,375.00	4,375.00	Equity Shares of Swiss	1 Year 7 days	
Eris Lifesciences Limited	T-bill +1.20%	Fund Based Working Capital Limit	1,140.00	1,130.00	Net Current assets		
Eris Lifesciences Limited	8.30 to 8.56%	Fund Based Working Capital Limit	3,000.00	1,280.00	Net Current assets		
Eris Lifesciences Limited	Repo+ 2.05%	Fund Based Working Capital Limit	750.00	750.00	Net Current assets		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Name of the Borrower	Rate of Interest	Type of Facility	Disbursed Amount (₹ in million)	Outstanding Limit as on March 31, 2024 (₹ in million)	Secured against	Total No of instalment / Tenure	Instalment Starting from
Eris Therapeutics Limited	Repo +1.55%	Term Loan	1,050.00	1,050.00	Plant and Corporate Guarantee of Parent Company	16	Jun-24
Eris Therapeutics Limited	T-bill +0.74%	Term Loan	1,500.00	1,273.75		16	Jun-23
Eris Therapeutics Limited	Repo +1.75%	Fund Based Working Capital Limit	300.00	300.00	Net Current assets		
Eris Therapeutics Limited	T-bill +1.10%	Fund Based Working Capital Limit	200.00	198.00	Net Current assets		

Note 14: Other financial liabilities

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
(a) Lease Liabilities		
Lease liabilities	370.19	389.74
	370.19	389.74
(b) Other financial liabilities		
Trade deposits	62.78	69.18
	62.78	69.18
	432.97	458.92
Current		
(a) Lease Liabilities		
Lease liabilities	89.83	77.21
	89.83	77.21
(b) Other financial liabilities		
Trade deposits	40.00	33.03
Book overdraft *	-	151.11
Dividend Payable	1.04	1.05
Interest accrued	102.42	27.38
Payable towards purchase of property plant and equipment	90.39	88.58
	233.85	301.15
	323.68	378.36
Total	756.65	837.27

* Current assets are hypothecated against WCDL Limit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 15: Provisions

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Long Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	96.99	77.93
Gratuity	96.07	38.81
Provision for sales returns (Refer note below)	334.17	324.45
	527.23	441.19
Short Term		
Provision for employee benefits (Refer note-28)		
Compensated absences	52.40	40.82
Gratuity	47.78	40.65
Provision for sales returns (Refer note below)	520.31	612.90
	620.49	694.37
Total	1,147.72	1,135.56

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 recognised, which is included in other current assets for the products expected to be returned.

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Provision	937.35	580.45
Add : Addition due to business combination (Refer note 27.1)	-	152.49
Add : Provision during the year	582.66	324.84
Less : Utilisation during the year	665.53	120.43
Closing Provision	854.48	937.35
Long Term	334.17	324.45
Short Term	520.31	612.90
Total	854.48	937.35

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 16: Other liabilities

(₹ in million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Non-current		
Deferred Capital Subsidy Non Current*	13.84	18.21
Other payables	-	95.01
	13.84	113.22
Current		
Statutory liabilities	275.80	179.20
Advances from customers	209.30	33.35
Deferred Capital Subsidy Current*	4.52	4.67
	489.62	217.22
Total	503.46	330.44

* 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	As at
	March 31, 2024	March 31, 2023
Due to micro and small enterprises (refer note-34)	266.00	187.52
Due to others	2,417.48	1,060.17
Total	2,683.48	1,247.69

Trade Payable ageing schedule:

(₹ in million)

Particulars	As on	Outstanding for following period from due date of payment					Total
		Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	March 31,2024	181.69	84.27	0.04	-	-	266.00
	March 31,2023	94.64	91.76	1.11	-	-	187.52
(ii) Others	March 31,2024	1,657.18	741.54	11.55	3.94	3.28	2,417.48
	March 31,2023	676.09	374.84	4.67	2.21	2.36	1,060.17
(iii) Disputed dues - MSME	March 31,2024	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-
(iv) Disputed dues -Others	March 31,2024	-	-	-	-	-	-
	March 31,2023	-	-	-	-	-	-
Total	March 31,2024	1,838.87	825.81	11.59	3.94	3.28	2,683.48
	March 31,2023	770.73	466.61	5.78	2.21	2.36	1,247.69

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 18: Revenue from operations

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Sale of products	19,912.95	16,618.16
Other operating income		
Goods And Services Tax refund	174.04	225.33
Others	4.44	8.00
	178.48	233.33
Total	20,091.43	16,851.49

Pursuant to Ind AS 115 "Revenue from Contracts with Customers" reconciliation of revenue recognised in the statement of profit and loss with the contracted price is under:

Revenue as per contracted price, net of returns	20,418.48	17,418.30
Less : Provision for sales return	582.66	324.84
Less : Scheme, discount and others	471.38	475.30
Revenue from contracts with customers	19,912.95	16,618.16

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, 2024	For the Year ended March 31, 2023
Interest income	70.10	22.99
Net gain on sale of investments	55.26	71.27
Net gain on investments carried at fair value through profit or loss	38.50	0.05
Deferred Capital Subsidy (Refer note 16)	4.52	4.78
Foreign exchange gain	18.56	-
Miscellaneous income	51.21	12.44
Total	238.15	111.53

Note 20: Cost of materials consumed

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Raw materials and packing materials		
Opening stock	446.99	387.84
Add: Addition due to business combination (Refer note 27.2)	190.88	67.66
Add: Purchases during the year	1,744.44	1,377.00
Add: Job work charges	29.28	36.48
Less: Closing stock	(633.51)	(446.99)
Total	1,778.08	1,421.99

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 21: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade (₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Inventories at the beginning 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
Addition due to business combination		
Stock-in-trade	139.81	73.42
Work-in-progress	86.83	-
Finished goods	128.86	41.60
	355.50	115.02
Inventories at the end of the year		
Stock-in-trade	680.81	615.54
Finished goods	377.36	203.77
Work-in-progress	105.78	38.44
	1,163.95	857.75
Net (increase) / decrease in stocks	7.21	38.18

Note 22: Employee benefits expenses (₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages and bonus	3,556.19	3,109.54
Contribution to provident and other funds (Refer note 28)	240.87	175.17
Share based payments to employees (Refer note 33)	32.87	31.21
Staff welfare expenses	208.22	145.65
Total	4,038.15	3,461.57

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 23: Other expenses

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Power and fuel	120.42	57.02
Consumption of stores and spares (Indigenous)	75.94	47.28
Labour and security	77.40	29.27
Testing charges	28.37	18.59
Rent (Refer note 32)	32.29	22.20
Formulation Development Expense	57.18	61.00
Freight and forwarding	291.87	192.72
Commission	282.67	268.91
Advertising, publicity and awareness	141.98	63.85
Repairs and maintenance	163.06	89.47
Selling and distribution	1,355.45	1,326.17
Commission and sitting fees to independent directors	18.24	16.80
Representative Allowance	810.02	655.93
Travelling and conveyance	697.64	717.86
Communication expenses	15.20	15.63
Legal and professional	664.81	433.41
Rates and taxes	98.22	92.19
Insurance	19.05	11.94
Payment to auditors (Refer note below)	15.73	10.77
Loss on property plant and equipment sold/written off	21.41	20.05
Corporate social responsibility expenditure	87.76	76.36
Donations*	150.30	0.08
Provision for doubtful debt / other financial assets	53.78	-
Bad debt written off	4.82	0.50
Miscellaneous	220.93	270.96
Total	5,504.54	4,498.96

* Donation includes amount paid to Bhartiya Janta Party ₹ 150 million.

(₹ in million)

Payment to auditors (Excluding GST)	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Statutory Audit fee	15.10	9.22
Reimbursement of expenses	0.01	-
Certification fees and other services	0.62	1.55
Total	15.73	10.77
Certification fees and other services charged, debited to other than profit and loss account	-	2.06
Grand Total	15.73	12.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 24: Finance cost

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest expense	814.89	227.26
Interest on Lease liability	33.12	34.42
Total	848.01	261.68

Note 25: Earnings per share

(₹ in million)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net profit after tax for the year (₹ in million)	3,919.83	3,821.58
Weighted average number of equity shares outstanding for basic earning per share	13,60,13,584	13,59,78,947
Add : Dilutive share -Employees stock options outstanding	1,67,527	1,89,163
Weighted average number of equity shares outstanding for diluted earning per share	13,61,68,109	13,61,68,109
Nominal value per equity share (in ₹)	1.00	1.00
Basic earnings per share (in ₹)	28.82	28.10
Diluted earnings per share (in ₹)	28.79	28.07

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 a : Acquisition of Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited "EOHPL")

During the financial year 2022-23, 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-controlling interest in Consolidated financial statement.

EOHPL's business predominantly comprised of brands in Dermatology and Women's Health segments. The acquisition has been accounted for using the acquisition method of accounting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 (Raw materials and packing materials)	67.66
Inventories (Work-in-progress)	41.60
Inventories (Stock in trade)	73.42
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
Provision for sales return	152.49
Other Liabilities	299.94
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 27.1 b : Operation integration of the domestic formulations business of subsidiary Eris Oaknet Healthcare Private Limited (EOHPL)

During the year, the Parent Company 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 2, pursuant to a Deed of assignment of Trademark entered into between Eris Oaknet Healthcare

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Private Limited (EOHPL) and Eris Lifesciences Limited (Parent Company), Parent Company has acquired all the rights, title and interest to the certain trademarks owned by the EOHPL, for a consideration of ₹3,401.04 million (including transaction costs), 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.”

Note 27.2 : Acquisition of Swiss Parenterals Limited.

During the the year, the Parent Company has completed the acquisition of 28,46,639 equity shares representing 51% of equity share capital for an aggregate consideration of ₹6,383 million (including transaction cost) of Swiss Parenterals Limited (SPL) and obtained control on February 15, 2024 from its erstwhile shareholders. 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.

The acquisition has been accounted for using the acquisition method of accounting.

Particulars	(₹ in million)
Assets	
Value of Identified Intangible Assets- Brands	8,611.93
Inventories (Raw materials and packing materials)	190.88
Inventories (Work-in-progress)	86.83
Inventories (Finished goods)	128.86
Trade Receivables	857.17
Tangible assets	555.54
Right-of-use-asset	3.06
Cash and cash equivalents	269.61
Bank balances other than above	916.41
Income tax assets	189.77
Other financial and other assets (Current and Non Current)	424.91
Total Assets	12,234.97
Liabilities	
Trade Payables	524.39
Income tax liability	288.06
Deferred tax liability	8.35
Allowance for doubtful debt	134.95
Other Liabilities	1,030.16
Total Liabilities	1,985.91
Net Assets	10,249.06
Less: Purchase consideration (Excluding transaction cost)	6,375.00
Less: Minority Interest	6,125.00
Goodwill (refer note below)	2,250.94
Goodwill (Related to deferred tax liability on intangible asset)	3,009.35
Total Goodwill	5,260.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, Swiss Parenterals Limited has contributed total revenue of ₹ 601.76 Million and profit after tax of ₹ 196.44 Million to the Group. If the business combination had taken place at the beginning of the year, total revenue would have been ₹ 3,188.25 Million and profit after tax would have been ₹ 699.16 Million.

In view of this acquisition, the figures of year ended March 31, 2023 are not comparable with the current year figures.

Note 27.3 : Acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited

During the year the Parent Company has completed acquisition of the Branded Formulations India business units of Nephrology and Dermatology from Biocon Biologics Limited for a consideration of ₹ 3,660.00 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 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) based on final PPA.

Particulars	(₹ in million)
Assets	
Value of Identified Intangible Assets- Brands	3,466.64
Inventories (Stock in trade)	139.81
Trade Receivables	91.14
Other Asset	32.99
Total Assets	3,730.58
Liabilities	
Trade Payable	95.62
Other Liabilities	8.32
Total Liabilities	103.94
Net Assets	3,626.64
Less: Purchase consideration	3,660.00
Goodwill (refer note below)	33.36

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.

It is impracticable to determine the revenue from sales of products and the profit or loss since the acquisition date, as well as the combined sales of products and profit or loss from the beginning of the annual reporting period. This is due to the integration of the acquired business with the Group's existing operations, which prevents the accurate segregation of these figures. In view of this acquisition, the figures of year ended March 31, 2023 are not comparable with the current year figures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 27.4 : Acquisition of the Branded Formulations India business units from Biocon Biologics Limited

The Parent Company entered into definitive agreement for acquisition of Branded Formulations India business units from Biocon Biologics Limited on March 14, 2024. Subsequent to the year end, the Parent Company has completed the acquisition 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 tenure 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 were re-financed by way of issuance of long term non-convertible debentures in June 2024. Funds received was parked in Fixed Deposit as earmarked for the payment of above acquisition.

Note 27.5 : 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 27.6 : Acquisition of Brands of Dr. Reddy's Laboratories Limited

During the Financial Year 2022-23, the Parent 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 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 ₹ 140.76 million (Previous Year ₹ 125.55 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 ₹ 3.20 million (Previous year ₹ 4.87 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 ₹ 44.99 million (Previous Year ₹22.66 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, 2024:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation :		
Obligations at beginning of the year	245.29	195.66
Current Service Cost	41.02	32.25
Transfer in/(out) obligation	8.32	0.13
Past Service Cost	-	8.92
On Account of acquisition	11.16	38.43
Interest Cost	14.88	2.52
Actuarial (gain)/loss on obligation	-	-
- Due to change in Financial Assumptions	27.12	(17.15)
- Due to change in Demographic Assumptions	-	2.60
- Due to experience adjustments	17.83	13.17
Benefits paid	(27.79)	(31.24)
Obligations at the end of the year	337.83	245.29
(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	165.83	165.64
Interest Income	11.07	8.55
On Account of acquisition	9.02	-
Expected returns on plan assets	(1.02)	(1.43)
Employer Contributions	29.07	16.77
Benefits paid	(19.89)	(23.70)
Fair Value of plan assets at the end of the year	194.07	165.83

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for the year ended March 31, 2024

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
(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	337.83	245.29
Less : Fair value of plan assets	(194.07)	(165.83)
Funded status (deficit)	143.76	79.46
Net liability recognised in the financial statement	143.76	79.46
(d) Expense recognised in the statement of profit and loss for the year :		
Service Cost	41.02	41.17
Interest Cost	3.81	(6.03)
Expense charged to the statement of profit and loss	44.83	35.14
(e) Expense recognised in other comprehensive income for the year :		
Return on plan assets excluding amounts included in net interest expense	1.02	1.43
Actuarial (gain)/loss		
- Due to change in Financial Assumptions	27.12	(17.15)
- Due to change in Demographic Assumptions	-	2.60
- Due to experience adjustments	17.94	13.17
Expense charged to other comprehensive income	46.08	0.05
Assumptions:		
Discount rate	7.15% to 7.20%	7.30%
Estimated rate of return on plan assets	7.15% to 7.20%	7.30%
Annual increase in salary costs	6% to 10%	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	333.30	244.36
Decrease of 0.5% in discount rate	342.52	246.49
Increase of 0.5% in salary escalation rate	341.83	246.39
Decrease of 0.5% in salary escalation rate	333.89	244.40
Expected future Cash outflows towards the plan are as follows :		
Year 1	116.65	80.42
Year 2	73.17	55.25
Year 3	54.67	44.08
Year 4	42.55	31.26
Year 5	30.34	24.94
Year 6 to 10	69.98	48.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Investment details of plan assets:

Particulars	March 31, 2024 %	March 31, 2023 %
Insurer managed funds with Life Insurance Corporation of India	94%	95%
Bank Balance with Eris lifesciences limited employees group gratuity trust	6%	5%

Notes:

- 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 parent company.
- 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.
- Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.
- The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.
- The expected contribution to be made by Group for gratuity during financial year ending March 31, 2025 is ₹ 42.80 million (previous year ₹ 27.19 million).

Note 29: Fair Value Measurement

(₹ in million)

(i) Financial assets and liabilities

The carrying value and fair value of financial instruments by category is as follows :

	As at March 31, 2024		As at March 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	4,220.24	4,220.24	2,927.09	2,927.09
Cash and cash equivalents	942.45	942.45	560.22	560.22
Other bank balances	13,063.85	13,063.85	24.35	24.35
Investment in tax free bonds	5.00	5.00	5.00	5.00
Loans	66.01	66.01	49.50	49.50
Other Financial Asset	115.50	115.50	84.32	84.32
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
Investment in equity instruments	97.17	97.17	58.63	58.63
Investment in tax free bonds	53.26	53.26	3.30	3.30
Total	18,563.50	18,563.50	4,012.48	4,012.48

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

The carrying value and fair value of financial instruments by category is as follows :				(₹ in million)
As at March 31, 2024		As at March 31, 2023		
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial Liabilities :				
Amortised cost :				
Borrowings	27,352.67	27,352.67	8300.16	8300.16
Trade payables	2,683.48	2,683.48	1247.69	1247.69
Lease Liabilities	460.02	460.02	466.95	466.95
Other financial liabilities	296.63	296.63	370.33	370.33
Total	30,792.80	30,792.80	10,385.13	10,385.13

(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, 2024	Level 1	Level 2	Level 3	Total
Financial assets :				
Mutual funds	-	-	-	-
Equity instruments	-	-	97.17	97.17
Tax free bonds	53.26	-	-	53.26
Total	53.26	-	97.17	150.43
Financial Liabilities :				
	-	-	-	-
Net Assets/(Liabilities)	53.26	-	97.17	150.43

(₹ 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
	303.35	-	58.63	361.98
Financial Liabilities :				
	-	-	-	-
Net Assets/(Liabilities)	303.35	-	58.63	361.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 a 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 ₹ 3.26 million and ₹ 303.35 million as at March 31, 2024 and March 31, 2023 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 10,563.50 million and ₹ 4,012.48 million as at March 31, 2024 and March 31, 2023 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 :

	(₹ in million)		
As at March 31, 2024	Less than 1 year	1-3 years	More than 3 years
Borrowings	20,923.08	5,002.34	1,427.25
Trade payables	2,683.48	-	-
Lease Liabilities	124.94	207.45	214.55
Other financial liabilities	296.63	-	-
	24,028.13	5,209.79	1,641.80

	(₹ 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(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.

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans and borrowings	27,812.69	8,767.11
Less : Cash and bank balances	942.45	560.22
Adjusted net debt	26,870.24	8,206.89
Total equity	25,861.19	21,959.88
Adjusted net debt to adjusted equity ratio	1.04	0.37
Debt equity considering only borrowings as debt	1.08	0.40

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024; 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, 2024, 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 2024, 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 ₹ 74.36 million (Previous year ₹ 77.17 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 Vasantry Unadkat
Independent Director (Upto July 19, 2022)	Mrs. Vijaya Sampath
Independent Director	Mr. Prashant Gupta

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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)	Mr. Parv Bakshi
Son of Mr. Inderjeet Singh Negi (Whole time director)	Mr. Sarthak Negi
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

NNOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

B) Total Transactions with related parties are as follows:

Particulars	Key Management Personnel		Close family member of Key Management Personnel		Other Related parties		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
(A) Nature of transactions	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Remuneration	132.29	134.02					132.29	134.02
Sitting fees	2.93	3.30					2.93	3.30
Reimbursement of expense incurred	2.16	2.25					2.16	2.25
Commission	14.41	13.50					14.41	13.50
Stock Options exercised	1.93	0.38					1.93	0.38
Salary expense			1.92	0.51			1.92	0.51
Corporate Social Responsibility			-	-			-	-
Contribution to Post-employment benefit plan					29.07	16.76	29.07	16.76
Purchase of Stock-in-trade	-	-	-	-	-	63.28	-	63.28
Reimbursement of expense incurred	-	-	0.36	-	1.08	5.72	1.44	5.72
Sale of goods	-	-	-	-	-	0.23	-	0.23
Remuneration to promotor	-	-	-	-	5.52	5.52	5.52	5.52
Commission to entity controlled by promotor	-	-	-	-	7.98	8.10	7.98	8.10
Professional fees to Firm in which director is a partner	-	-	-	-	1.86	16.14	1.86	16.14
Professional fees (Capitalised to intangible) to Firm in which director is a partner	-	-	-	-	15.30	7.84	15.30	7.84
Remuneration to Key Management Personnel of subsidiaries	-	-	-	-	23.34	11.67	23.34	11.67
Reimbursement of expense to Key Management Personnel of subsidiaries	-	-	-	-	0.72	0.27	0.72	0.27
(B) Balances at the end of the year	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Trade Payable	7.01	7.74	0.24	0.04	1.57	11.18	8.82	18.96
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 STATEMENTS

for the year ended March 31, 2024

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, 2024	As at March 31, 2023
1	Key Management Personnel compensation		
	Trade payable	7.01	7.74
2	Close family member of Key Management Personnel compensation		
	Trade payable	0.24	0.04
3	Other Related parties		
	Loan	-	0.10
	Trade payable	1.57	11.18

Note 31: Contingent Liability and Capital Commitment :

(₹ in million)

Note 31 a : Contingent Liability :

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts:		
Notices relating to DPCO Matters (refer note below)	191.31	182.42
Notices regarding Income-tax matters and from Goods and services tax department	39.11	27.27
Others (Includes ₹ 50 million (Previous year ₹ 50 million {refer note 6}))	74.18	74.18

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.

Note 31b : Capital Commitment :

Estimated amount of contracts remaining unexecuted on capital account (net of advances) not provided for :

- a) ₹ 0.62 million for Property Plant & Equipment (Previous year ₹ 28.40 million)
- b) ₹ 2,375 million for acquisition of business (refer note 27.2)
- c) ₹ 12,420 million for acquisition of shares of subsidiary (refer note 27.4).

Note 32: Leases Rent Ind AS 116:

(₹ in million)

The movement in lease liability and Right of use assets is given as under as per IND AS 116.

Changes [increase/(decrease)]	For Year ended March 31, 2024	For Year ended March 31, 2023
Depreciation	116.06	101.53
Finance costs on lease liability	33.12	34.42
Cash Flow From Lease	24.26	(87.12)
Cash Flow From Lease interest	(33.12)	(34.42)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Movement in lease liabilities	As at March 31, 2024	As at March 31, 2023
Lease liability at the beginning of the year	466.95	393.96
Additions	77.15	152.65
Redemption	(84.08)	(79.66)
Lease liability at end of the year :	460.02	466.95
of which:		
Current portion	89.83	77.21
Non current portion	370.19	389.74

Maturity analysis of lease liabilities

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum lease payments due		
Within 1 year	117.96	104.29
1-3 years	214.44	191.81
Above 3 years	214.55	273.51

Note 33: Employee Stock Option Plan (ESOP)

The employee compensation cost as per fair value method for the financial year 2023-24 is ₹ 32.87 million and for financial year 2022-23 is ₹ 31.21 million.

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. 1,15,783 and 1,14,736 options have lapsed till March 31, 2024 and March 31, 2023 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.

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for the year ended March 31, 2024

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:	47,016	451.04	1,07,536	451.04
Granted during the year	-	-	-	-
Vested during the year	-	451.04	53,710	451.04
Exercised during the year	18,332	451.04	60,520	451.04
Lapsed during the year	1,047	451.04	-	451.04
Options outstanding at the end of the year	27,637	451.04	47,016	451.04
Options available for grant	1,14,736	-	1,14,736	-
Options exercisable at the end of the year	27,637	-	47,016	-

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 equity 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	1,90,138	557.24	2,14,102	557.24
Granted during the year	-	-	-	-
Vested during the year	48,705	557.24	53,512	557.24
Exercised during the year	17,710	557.24	1,521	557.24
Lapsed during the year	12,580	557.24	22,443	557.24
Options outstanding at the end of the year	1,59,848	557.24	1,90,138	557.24
Options available for grant	5,83,199	-	8,64,960	-
Options exercisable at the end of the year	72,163	-	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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	2,72,386	-	-	-
Granted during the year	-	510.32	2,79,568	510.32
Vested during the year	68,096	510.32	-	510.32
Exercised during the year	-	510.32	-	510.32
Lapsed during the year	18,181	510.32	7,182	510.32
Options outstanding at the end of the year	2,54,205	510.32	2,72,386	510.32
Options available for grant	5,83,199	-	8,64,960	-
Options exercisable at the end of the year	63,551	-	-	-

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

D. 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, 2,81,761

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 ₹ 728.16. 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, 2024. 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.

Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year	-	728.16	-	-
Granted during the year	2,81,761	-	-	-
Vested during the year	-	728.16	-	-
Exercised during the year	-	728.16	-	-
Lapsed during the year	-	728.16	-	-
Options outstanding at the end of the year	2,81,761	728.16	-	-
Options available for grant	5,83,199	-	-	-
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, 2024
	Weighted average
Stock Price (₹)	910.20
Volatility	30.80%
Risk-free Rate	7.05%
Exercise Price (₹)	728.16
Time To Maturity (In years)	7.50
Dividend yield	0.00%
Option Fair Value(₹)	385.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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, 2024. 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, 2024	March 31, 2023
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	266.00	187.52
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

Name	Nature	Country of Incorporation	Proportion of Ownership Interest as on March 31, 2024	Proportion of Ownership Interest as on March 31, 2023
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%	100.00%
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%
Swiss Parenterals Limited	Subsidiary	India	51.00%	0.00%

*Became subsidiary w.e.f. May 12, 2022. Refer footnote to Note 37.

‡Became subsidiary w.e.f. February 15, 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Nature of Entity	Net Assets i.e.- Total Assets minus total Liabilities (As at March 31, 2024)		Share in Profit or (Loss) 2023-24		Share in Other Comprehensive Income (OCI) 2023-24		Share in Total Comprehensive Income (TCI) 2023-24	
	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	78.3%	25,240.22	75.5%	2,997.12	90.4%	(27.58)	75.4%	2,969.54
Subsidiaries								
Eris M J Biopharm Private Limited (Formerly known as Kinedex Healthcare Private Limited)	0.2%	76.63	-3.8%	(151.88)	3.5%	(1.07)	-3.9%	(152.95)
Eris Oaknet Healthcare Private Limited (Formerly known as Oaknet Healthcare Private Limited)	2.0%	633.33	-2.9%	(114.91)	0.0%	-	-2.9%	(114.91)
Aprica Healthcare Limited	2.5%	805.75	1.1%	45.10	7.4%	(2.26)	1.1%	42.84
Eris Pharmaceuticals Private Limited	0.0%	(0.20)	0.0%	(0.02)	0.0%	-	0.0%	(0.02)
Eris Healthcare Private Limited	-0.6%	(208.24)	-0.9%	(36.86)	-1.4%	0.44	-0.9%	(36.42)
Eris Therapeutics Limited	4.9%	1,579.50	34.8%	1,381.24	0.1%	(0.04)	35.1%	1,381.20
Swiss Parenterals Limited	5.7%	1,833.34	4.9%	196.46	-	-	5.0%	196.46
Adjustments arising out of consolidation	7.0%	2,259.98	-8.7%	(345.71)	0.0%	-	-8.8%	(345.71)
Total	100.0%	32,220.31	100.0%	3,970.54	100.0%	(30.51)	100.0%	3,940.03
Non controlling Interest in subsidiaries		6,359.12		50.71		-		50.71
Total		25,861.19		3,919.83		(30.51)		3,889.32

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

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) 2023-24	
	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%	(288.51)	0.0%	-	-7.7%	(288.51)
Total	100.0%	22,206.77	100.0%	3,741.60	100.0%	0.59	100.0%	3,742.19
Non controlling Interest in subsidiaries		246.89		(79.98)		-		(79.98)
Total		21,959.88		3,821.58		0.59		3,822.17
		21,959.88		3,821.58		0.59		3,822.17

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 and subsidiaries with banks or financial institutions are in agreement with the unaudited books of accounts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

- 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, 2024. (Refer Note 10)
 - (b) Investment made by the Group as at March 31, 2024. (Refer Note 3)
 - (c) Guarantee given by the Group as at March 31, 2024. (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 clause 87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 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.
- xv) Parent and four subsidiaries have used accounting software for maintaining its books of account for the period April 1, 2023 to December 31, 2023 which had a feature of recording audit trail (edit log) facility and the same had operated throughout the said period for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

In respect of Eris Pharmaceuticals Private Limited, (subsidiary company) incorporated in India in which legacy ERP system is in use, audit trail was not enabled at the database level to log any direct data changes. This company is not migrated into new accounting software (SAP/4HANA) as there is no business activity during the year.

This legacy ERP system was nearing the end of its lifespan and was experiencing significant performance issues. The system's compute capacity and overall infrastructure was insufficient to handle the additional load and overheads associated with the audit trail read/write operations at the database level. Enabling this feature would have further strained the system, potentially leading to crashes and severe disruptions in daily operations.

Hence the Parent and four subsidiaries have migrated to another accounting software (SAP/4HANA) on January 1, 2024 for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same was operational for all relevant transactions recorded in the software, except that, audit trail feature was not enabled for privileged access users for smooth functioning during the migration period.

During the system implementation of the new accounting software (SAP/4HANA), as part of the system hyper-care period, privileged access was enabled for swift issue resolution. The Group is presently streamlining the process for user provisioning and privileged access to ensure compliance; with a Change Control Mechanism to be instituted shortly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 36: Items included in Financial Activities

(₹ in million)

Disclosure under para 44(a) as set out in Ind AS 7 on Cash Flow Statement under Companies (Indian Accounting Standards) rules 2014 (as amended).

	As at March 31, 2023	Cash Flows	Net Additions	Other Changes	As at March 31, 2024
Lease Liability	466.95	(8.86)		1.93	460.02
Borrowing	8,300.16	-	14,636.99	4,415.52	27,352.67

	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

Note 37: Material Partly Owned Subsidiary

(₹ in million)

Financial information of a subsidiary that have material non-controlling interests [NCI] is provided below:

Name of subsidiary	As at March 31, 2024	As at March 31, 2023
EMJ	(126.57)	(81.01)
EPPL	(0.05)	(0.05)
Oaknet	264.48	327.95
Swiss	6,221.27	-
Total	6,359.12	246.89

Name of subsidiary	Eris M.J.Biopharm Private Limited
Place of incorporation and operations	India

	As at March 31, 2024	As at March 31, 2023
% of Ownership	70%	70%
Current assets	312.45	178.71
Current liabilities	481.41	194.93
Net current assets	(168.96)	(16.22)
Non-current assets	266.40	259.58
Non-current liabilities	20.81	13.79
Net non-current assets	245.59	245.79
Net assets	76.63	229.57
Accumulated NCI	(126.57)	(81.01)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Summarised statement of profit and loss:	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Revenue	457.43	171.93
Expenses	611.07	425.29
Profit after Tax	(151.88)	(266.44)
Other Comprehensive Income	(1.07)	0.03
Total comprehensive income	(152.95)	(266.41)
Profit allocated to NCI	(45.56)	(79.93)

Summarised Cash Flow Statement:	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net cash inflow from operating activities	(63.35)	(295.86)
Net cash inflow/(outflow) from investing activities	(64.45)	(266.47)
Net cash inflow/(outflow) from financing activities	162.36	570.11

Financial information of a subsidiary that have material non-controlling interests [NCI] is provided below:

(₹ in million)

Name of subsidiary	Swiss Parenterals Limited	
Place of incorporation and operations	India	
	As at March 31, 2024	As at March 31, 2023
% of Ownership	51%	0%
Current assets	2,083.76	-
Current liabilities	1,211.73	-
Net current assets	872.03	-
Non-current assets	969.25	-
Non-current liabilities	7.92	-
Net non-current assets	961.32	-
Net assets	1,833.35	-
Accumulated NCI	6,221.27	-

Summarised statement of profit and loss:	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Revenue	2,912.87	-
Expenses	2,160.85	-
Profit after Tax	699.16	-
Other Comprehensive Income	(0.97)	-
Total comprehensive income	698.19	-
Profit allocated to NCI	598.00	-
Dividends paid to NCI	(558.16)	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Summarised Cash Flow Statement:	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Net cash inflow from operating activities	1,071.04	-
Net cash inflow/(outflow) from investing activities	321.23	-
Net cash inflow/(outflow) from financing activities	(1,488.63)	-

During the Financial year ended March 31,2023, Eris Oaknet Healthcare Private Limited (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-controlling 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

Milind Talegaonkar
Company Secretary

Place: Ahmedabad
Date: August 02, 2024

Membership No-A26493

NOTICE

NOTICE IS HEREBY given that the Eighteenth Annual General Meeting (AGM) of the Members of Eris Lifesciences Limited will be held on Wednesday, September 25, 2024, 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, 2024, and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Inderjeet Singh Negi (DIN: 01255388) 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, 2025, 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 of Rs. 3,30,000/- to be paid 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 2024-25.

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 consider and approve Alteration in the Articles of Association of the Company, and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), and any other law as may be applicable, consent of the members of the Company be and is hereby accorded for the insertion of the following clause 125A in the Articles of Association of the Company:

"Notwithstanding anything contained in these Articles, if the Company issues debentures or bonds or such other debt instruments or avail any financial assistance from Banks or Financial Institutions ("Lender(s)"), the Debenture Trustee(s)/Lender(s) shall have the right to nominate a Director (herein after referred as "Nominee Director") on the Board of the Company in accordance with provisions of the Companies Act 2013, SEBI Regulations, including but not limited to Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993, applicable law, regulatory or listing requirements and terms and conditions of such debenture/lending documents. Debenture Trustee(s)/Lender(s) as mentioned above may remove Nominee Director so appointed at any time and in case of cessation of office of such Nominee Director, by reasons of death or resignation or any other reasons whatsoever, nominate any other person to fill up the vacancy. Such nomination for appointment or withdrawal of nomination shall be made in writing to the Company.

The Nominee Director shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue

in office for so long as the debt subsists. Subject as aforesaid the Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other non-executive director of the Company in terms of the Act and the remuneration, if any, shall be subject to the approval of the Board."

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Company Secretary of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors

Date: August 02, 2024

Place: Ahmedabad

Milind Talegaonkar

Company Secretary

ICSI Mem. No. A26493

Notes:

1. The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circular No. 09/2023 dated September 25, 2023 read together with General Circular No. 10/2022 dated December 28, 2022, General Circular No. 2/2022 dated May 5, 2022, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 8, 2020 and other circulars issued in this regard (collectively referred to as "MCA Circulars"), and the Securities and Exchange Board of India ("SEBI") vide its, Circular No.: SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023, Circular No.: SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and other circulars issued in this regard, permitted the holding of the Annual General Meeting (AGM) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue.
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, 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 Wednesday, September 18, 2024, for the purpose of Annual General Meeting of the Company.
7. Members may note that the Notice and Annual Report 2023-24 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 eighteenth AGM 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 eighteenth 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 Friday, September 27, 2024, 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 Sunday, September 22, 2024, and will end at 5:00 p.m. (IST) on Tuesday, September 24, 2024. 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, September 18, 2024 may cast their vote by remote e-voting. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.
- 19.** The Members can join the AGM in the VC 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:

- **Individual Shareholders holding securities in demat mode with NSDL:**

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

- **Individual Shareholders holding securities in demat mode with CDSL**

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

- **Individual Shareholders holding securities in demat mode with Depository Participant:**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

1. Login to DP website.
2. After Successful login, members shall navigate through "e-voting" tab under Stocks option.
3. Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
4. After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the 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 ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID'
 - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - b. 'Investor's Name - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote voting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) 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).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

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

Forgot Password:

• **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

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

• **Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat 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 ‘Corporate Body/ Custodian/Mutual Fund’ tab and further Click ‘forgot password?’
- Enter User ID, Organization ID 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.*

• **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. 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 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 In-sta Meet:

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 Insta MEET 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 Insta Meet 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 Insta Meet. 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 2024-2025, at a remuneration of Rs. 3,30,000/-.

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, the 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. 04:

The Company had issued Listed, Rated, Unsecured, Redeemable, Non-Convertible Debentures on May 21, 2024, and the same were listed on BSE Limited on June 11, 2024. The amendment seeks to authorize the Lenders / Debenture Trustees to nominate director(s) on the board of the company to safeguard the interests of the Lenders / debenture-holders in the event of commitment of default by the company. The alteration is also being effected to comply with the terms of the applicable laws and executed documents namely the said listing of NCDs, Securities and Exchange Board of India (Issue And Listing of Non-Convertible Securities) Regulations, 2021 read with Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and the Debenture Trust Deed (DTD), clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. As per the provisions of the Companies Act, 2013, alteration of the Articles of Association of the Company is required to be further approved by the members of the Company by way of a Special Resolution.

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, the 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 and ratification.

By order of the Board of Directors

Date: August 02, 2024

Place: Ahmedabad

Milind Talegaonkar

Company Secretary

Mem. No. A26493

Annexure to the Notice

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to Directors seeking appointment/re-appointment at the ensuing Annual General Meeting which is mentioned below:

Name of Director	Mr. Inderjeet Singh Negi
DIN	01255388
Date of Birth	June 22, 1971
Age of Director	~50 years
Date of Appointment/ Re-appointment	September 01, 2021
Qualification	Bachelor’s degree in science
Experience	Mr. Inderjeet Singh Negi has experience of more than 20 years
Functional expertise	Mr. Inderjeet Singh Negi has rich and wide experience in strategy, management, governance, finance, human resources, science, technology and operations. He is focused on translating the Company’s strategy into action to drive its growth and performance.
Terms and Conditions of Appointment and Remuneration Paid	<p>Members of the Company at their AGM held on September 01, 2021, have approved the re-appointment and terms of remuneration of Mr. Inderjeet Singh Negi for a period of five years, with effect from April 01, 2021, to March 31, 2026, as Whole-time Director of the Company.</p> <p>His re-appointment is subject to retire by rotation in terms of the provisions of the Act.</p> <p>Mr. Inderjeet Singh Negi was paid a remuneration for the financial year ended March 31, 2024, Rs. 6.99 million, as approved by the members of the Company at their AGM held on September 01, 2021.</p> <p>In accordance with the approval granted by the members at the Annual General Meeting (AGM) held on September 01, 2021, Mr. Negi received a remuneration of Rs. 6.99 million during the financial year ended March 31, 2024. Mr. Negi’s appointment as Whole-Time Director remains valid until March 31, 2026, with his terms of appointment and remuneration being governed by the approval granted by the members at the AGM on September 01, 2021. These terms are subject to recommendations by the Nomination and Remuneration Committee and subsequent approval by the Board of Directors.</p> <p>Please note that Mr. Negi is not entitled to any stock options under the Company’s Employee Stock Option Schemes.</p>
Designation	Whole Time Director

Disclosure of relationship of Directors with Manager and KMP of the Company	Not Applicable
Names of other listed entities in which person holds Directorship and the membership of the committees of the Board	Not Applicable
Chairman/ Director of other Company	<p>Mr. Inderjeet Singh Negi is Director in below entities:</p> <ul style="list-style-type: none"> - Eris Therapeutics Limited - Eris Healthcare Private Limited - Amit Bakshi Foundation
Number of shares held in the Company	59,39,933
No. of Board Meetings attended during the year	Five
Justification for appointment of Independent Director	Not applicable
Names of companies along with listed entities in which person has resigned in the past three years.	<p>Mr. Inderjeet Singh Negi has resigned from the post of Directorship from below entities:</p> <ul style="list-style-type: none"> • Aprica Healthcare Limited • Eris M. J. Biopharm Private Limited
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	<p>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.</p> <p>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.</p>



Registered Corporate Office

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