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**Date: 23<sup>rd</sup> March, 2023**

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

**SUBJECT: TRANSCRIPT OF CONFERENCE CALLSCHEDULED IN CONNECTION WITH THE ACQUISITION OF NINE DERMATOLOGY BRANDS FROM DR.REDDY'S LABORATORIES LTD**

Dear Sir/Madam,

This is to inform that the transcript of the conference call which was held on Thursday, 16<sup>th</sup> March, 2023 in connection with the acquisition of nine dermatology brands from Dr. Reddy's Laboratories Ltd. is attached herewith.

You are requested to take this on record.

Thanking You,

**For Eris Lifesciences Limited**



**Milind Talegaonkar**  
**Company Secretary and Compliance Officer**  
**Mem. No. A26493**

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# **“Eris Lifesciences Limited Conference Call”**

**March 16, 2023**

**MANAGEMENT:**

**MR. AMIT BAKSHI, CHAIRMAN AND MANAGING DIRECTOR**

**MR. V KRISHNAKUMAR, CHIEF OPERATING OFFICER & EXECUTIVE DIRECTOR**

**MR. SACHIN SHAH, CHIEF FINANCIAL OFFICER**

**MS. KRUTI RAVAL, INVESTOR RELATIONS**

The transcript includes some forward-looking statements, expectations and assumptions of the Management.

**Moderator:** Ladies and gentlemen, good day and welcome to the conference call of Eris Lifesciences Limited. We have with us today on the call Mr. Amit Bakshi - Chairman and Managing Director, and Mr. V. Krishnakumar - Executive Director and Chief Operating Officer.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '\*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. V. Krishnakumar - Executive Director and Chief Operating Officer. Thank you and over to you, sir.

**V. Krishnakumar:** Thank you, Neerav. I am Krishnakumar and I welcome you all to this call to discuss our latest acquisition. Before we get into the specifics of our latest deal, I wish to take a few minutes to recap the ethos of our inorganic strategy. As discussed several times in the past, the key thrust of our inorganic strategy is to leapfrog our presence in attractive therapy areas. We leveraged the Strides acquisition to enter the CNS therapy, we entered the Insulin segment through an equity venture with MJ Biopharm and we entered the Dermatology therapy through a series of deals starting with Oaknet. We have employed a "String of Pearls" approach in building our Dermatology portfolio this year with targeted acquisitions to fill specific portfolio gaps. This approach has helped us maximize business fit and minimize redundancies.

We employ a prudent screening approach to every deal that we evaluate, in order to ensure evidence of early value creation opportunities,

specifically in terms of (i) Strategic fit with our specialty or sub-therapy requirements (ii) The presence of arbitrage opportunities by way of fundamentally good businesses which are sub-optimally run, and last but not the least, meeting our financial criteria like Gross Margin, Growth potential, YPM, Debt-to-EBITDA ratio and IRR. We approach every deal with an “Owner Manager” mindset, wherein we are happy to “roll up our sleeves and do the hard work” to create value.

This discipline has enabled us to create value from deals like Strides, Zomelis and Oaknet. Starting with our inception in the year 2007, it took us nearly 13 years to add the “first Rs. 1,000 crores” of revenue. However, we are adding the “next Rs. 1,000 crores” of revenue in just 4 years by deploying our internal cashflows along with external funding to drive a mix of organic and inorganic growth. We have traversed the journey from Rs. 200 crores to Rs. 2,000 crores while largely preserving our Gross Margin at the 80% level. We expect that this will continue to be a way of life at Eris going forward.

Coming to the deal specifics, today we have announced the acquisition of 9 Cosmetic Dermatology brands from Dr. Reddy's Laboratories for a consideration of Rs. 275 crores. This portfolio includes well-known brands such as Hydroheal, Revibra, Aquaderm, Averta and Acrofy. The brands are largely in Cosmetology segments like anti-acne, moisturisers, cleansers, anti-ageing, hair-health, melasma etc. and have a combined primary sales of Rs. 50 crores per annum.

This deal is in line with our stated intent of building a strong Dermatology franchise. We kick-started this process with the acquisition of Oaknet Healthcare for Rs. 650 crores in May'22 and we strengthened this franchise with the acquisition of 9 Dermatology brands from Glenmark in January of this year for Rs. 340 crores. While the Glenmark deal helped

us strengthen our Medical Dermatology franchise, the latest deal helps us augment our Cosmetic Dermatology franchise. Post this deal, Eris will rank number 3 in its Dermatology covered market with a market share of 7%.

Inclusive of this deal, we have invested Rs. 1,265 crores in acquisitions in this financial year, primarily in building up our Dermatology franchise. The aggregate revenue of the business and brands thus acquired is expected to exceed Rs. 400 crores in the coming financial year FY24. This would translate into a YPM of Rs. 5 lakhs for Oaknet, which is double the YPM of Rs. 2.5 lakhs it had at the time of acquisition less than a year ago. Further, we know that a YPM of Rs. 5 lakhs can translate into an EBITDA margin that is very close to our corporate EBITDA margin, which is where we expect Oaknet to be next year. This is a massive uptick from the 10% EBITDA margin which the Oaknet business had at the time of acquisition.

The series of deals done in this financial year has also resulted in a significant diversification of our therapeutic mix. Pre-Oaknet, Eris derived 80% of its revenues from the Cardiometabolic and VMN segments. Notwithstanding a 13% growth in these segments, the concentration of the Cardiometabolic and VMN segments is now down to 65%. The contribution of our 3 emerging therapies, namely Dermatology, CNS and Women's Health has increased from 12% to 28%, with Dermatology having emerged as our fourth largest therapy with a 15% share in overall revenue. We expect this process of therapeutic diversification to continue as we continue to invest in our emerging therapies of Insulins, Dermatology, CNS and Women's Health, alongside our flagship Cardiometabolic business.

This transaction will be financed through borrowings and will achieve financial closure in the next few days. We can now open up for Q&A.

**Moderator:** The first question is from the line of Tarang Agrawal from Old Bridge Capital. Please go ahead.

**Tarang Agrawal:** Hi. Good evening and thank you for the opportunity. A couple of questions from me. One, when you say that you are 7% of the covered market in Derma and you are number 3 therein, if you could give us a sense in terms of how big is your covered market versus the overall Derma market, what do you mean when you are giving this stratification?

**V. Krishnakumar:** The concept of covered market is a very standard thing that is followed in our industry. That is not a new point. It's just a term that is used to denote the particular segments of the market that we play in. Out of the total Dermatology therapy, our covered market is around 45% of the total Derma therapy. When we say we are number 3 with a 7% market share, we are essentially talking of that 45% footprint, which represents the molecules and the segments that we are present in.

**Amit Bakshi:** At an overall level, we are maybe at 10-11, right

**Tarang Agrawal:** Got it. Like for instance, if I were to understand the diabetes market, right? I mean of Rs. 12,000 crores, Rs. 3,000-3,500 crores is Insulin, right? And then you have Sulfonylurea and you've got everything else within the Rs. 12,000 crores. When you say you are 45% of the covered market, are there any specific sub-categories within Derma that you're covering? Or this is just, some more details into this would be helpful?

**Amit Bakshi:** Please pardon me as we're still getting more well-versed with the market. But as far as I understand, there are two parts of the market, broadly speaking. One is Medical Dermatology, which is more about the Psoriasis, the fungal infections. The other piece is a little bit tilted on the Cosmetology side.

Through our first two acquisitions, our Medical Dermatology piece has got very strong and in that particular context, we were talking about number 3 rank, which is almost 50% of the coverage. Now, large markets where we are not covered. for example, the number one market in Cosmetology is acne and acne-care. Our presence in acne and acne-care is still very small. Hair care, for example. Hair care again is a large market, but our presence there is very small. These are some areas we have a smaller presence.

Emollients, for example. One of the largest markets. But we have a very small presence in that Emollients market. These brands, if you look at are a pinhole opening for us to really build brands around that one brand which we have acquired to make sure that we are able to get a higher market share in these markets where we are not present.

**Tarang Agrawal:** Got it. That's helpful. Thanks. Current GCs of the brands that you've acquired between Glenmark and Dr. Reddy's, would the GCs be similar to Oaknet?

**Amit Bakshi:** Yes, they are similar to Oaknet. We are in the same vicinity of 78 to 80%.

**Tarang Agrawal:** Ok. And my sense is, these products could be manufactured internally, whether in Sikkim or Gujarat, right?

**V. Krishnakumar:** Yes, we are evaluating that because as of now, most of these products are done by third parties. But given that we have put together a fairly sizable derma basket now, we are evaluating the business case to manufacture these products in our Gujarat plant. We should have some update on that the next time we meet up.

**Tarang Agrawal:** Sure. And the last is its going to be 100% debt funded. If so, what's the cost of funding that you're looking at? Will it be fixed or variable?

- V. Krishnakumar:** It is variable in the range of 8% to 8.5%.
- Tarang Agrawal:** Ok. Thanks. All the best.
- Moderator:** Next question is from the line of Prakash from Axis Bank. Please go ahead.
- Prakash:** Hi, good evening. Just trying to understand, so we have been fairly aggressive especially in the Derm side and getting the fair share of the market now. You said that there's a white space of acne within the Derm. We would still be open to looking at more assets?
- Amit Bakshi:** Yes, Prakash, makes sense. If we get something which will fill the gap. There are two answers to this Prakash. One is that, now it's time for us to consolidate, right? We've got three acquisitions in a year. We clearly believe that now it's the execution time, the consolidation time. So, are we ready to do something big in Derma? The answer is a clear no. But if there is something which is useful and still in that range, which gives us comfort, we are still open to that.
- Prakash:** Ok and maybe I missed this, but the MRs, we acquired just the brands, right? Is it fair to say that the MRs which came from Oaknet, but they were Medical Derma and other. So, these are enough MRs or you would need more specialized MRs for Cosmetic Derma marketing?
- Amit Bakshi:** We are adding. There some amount of re-distribution of people which we have done. We are adding one more division, which will be primarily Cosmetology and we are hiring 50 people from outside. Rest 50 of them have been moved from inside from the various divisions.
- Between Derma and Cosmo, what happens, Prakash, it's not such a thick line when you do a promotion in front of a doctor. It's more about training and understanding the product. The team at Oaknet is a very good team



at the management and at the marketing level and they have had some very good successes in the recent past also. I'm not worried from that point of view.

**V. Krishnakumar:** I may just add to that. The expansion in the field force is to the tune of 40-50 reps, like Amit mentioned. The existing field force that handles Derma at Oaknet is about 640. It's really a very incremental expansion that we are looking at. Your earlier point that these brands that have come from Glenmark as well as Reddy's are pure brand deals with very high GCs. It gives us a very good arbitrage potential in terms of, scaling up the YPM of the business and hence also the margins of Oaknet.

**Prakash:** From a margin perspective, it would be fair to understand that there is a lot of headroom, but currently it would be much below than the company average and there is a potential to move to the company average is what you're saying?

**V. Krishnakumar:** It is far better than a potential Prakash. It's pretty much a done deal. Because this year we have been saying that our Oaknet EBITDA margin for the year will be around 25%. But once we put all of this together, as I mentioned earlier, our YPM will be Rs. 5 lakhs per month right from 1st April. That means we have clear line of sight on an EBITDA margin, which is in the range of 36% to 38% for next year. It's not a potential, there is clear line of sight.

**Amit Bakshi:** Yes, correct.

**Prakash:** Ok. This we are saying for the full basket of the Oaknet, the Glenmark and the recent one, Dr. Reddy's?

**V. Krishnakumar:** Yes, we are looking at the entire basket to be north of Rs. 400 crores in revenue next year with an EBITDA margin in the range that I highlighted to you.

**Prakash:** Ok. One more last question, if I may. We said that we are fairly open to Acne and it makes sense to cover the entire Derm market. Just trying to understand, white spaces in Cardiometabolic, you see that as well?

**Amit Bakshi:** Sorry Prakash, say that again?

**Prakash:** For Acne, you mentioned that clearly you would be interested to complete the franchise. But in the Cardiometabolic, which has been our key segment, are there any white spaces and would you be interested in any?

**Amit Bakshi:** Prakash, number one, I can't see many where we are sitting at this point of time. And second, historically, it has always been a difficult thing to hunt for. Right now, in our minds, we do not have a sight of getting something in Cardio-diabeto which is significantly big.

**V. Krishnakumar:** So again, it goes back to the covered market ratio, right? Our presence in Cardiometabolic is pretty expansive. Hence, the probability of finding white spaces is limited to that extent.

**Moderator:** The next question is from the line of Tarun Shetty from Haitong Securities. Please go ahead.

**Tarun Shetty:** Hi, thank you for the opportunity. I just have one question. What would be the primary sales growth for this portfolio as on FY22? And what would be the sales year-to-date?

**V. Krishnakumar:** The primary sale this year was to the tune of Rs. 50 crores, that's, the number. The CAGR over the last two years has been around 8%. This is despite the fact that these brands were very strong brands, they were not promoted. But in our hands, when we look at the kind of focus and go-to-market that we are bringing, creating a new division, and providing focus on these brands, we believe that a 15% to 20% kind of a growth in the first three years, is a doable proposition.

- Tarun Shetty:** Ok, just for clarification, by Rs. 50 crores this year, you mean a year-to-date FY23 or FY22?
- V. Krishnakumar:** Year ending March'23.
- Moderator:** The next question is from Aarti Rao from Anand Rathi. Please go ahead.
- Aarti Rao:** Sir I just missed out on the brand names that were disclosed and any top two or top three brands that crosses...
- Moderator:** I'm sorry to interrupt you. I can hear a slight echo from the management's line. Participants, please stay connected while we re-join the management line back to the call. Ladies and gentlemen, thank you for your patience. We have the line for the management reconnected.
- Aarti Rao:** I had questions regarding the brands that you disclosed. What are those nine brands and any brand that probably clocks more than Rs. 10 crores or Rs. 20 crores singlehanded?
- V. Krishnakumar:** Yes, there are brand names. The key brands are; Acrofy, Aquaderm, Avarta, Hydroheal, Revibra, these are some of the key brands. In terms of revenues, there are at least three brands in this portfolio which are north of Rs. 10 crores and there are a couple in the Rs. 20 crores bracket. In terms of leadership positions, three of these brands are ranked among the top three in their respective segments and there are another three of these brands which are ranked among the top five in their respective segments. Six out of nine brands have some kind of a leadership position.
- Aarti Rao:** My next question is, what kind of growth the Cosmetic Derma segment would be growing on an IPM basis?
- V. Krishnakumar:** The entire Derma segment has a growth of about 10-11%. Cosmetic Derm is growing slightly faster than the average.

- Aarti Rao:** Do we expect that the drugs that we have acquired or the brands that we have acquired would grow better than the industry rate?
- V. Krishnakumar:** Yes, that is the expectation. As I mentioned earlier, once we are able to take the brands in and they get settled down within our system, 15-20% per annum kind of a growth rate is what we can expect.
- Moderator:** The next question is from the line of Parag Thakkar from Anvil Wealth Management. Please go ahead.
- Parag Thakkar:** Thanks a lot for the opportunity. Basically, now what will be your total net debt position after this acquisition?
- V. Krishnakumar:** At the end of March, we will be at around Rs. 850 crores of debt.
- Parag Thakkar:** And our EBITDA will be in the vicinity of Rs. 600 crores?
- V. Krishnakumar:** From a net debt-to-EBITDA standpoint, we expect we should be at around 1.5 times this year, which will obviously significantly reduce when we look at what numbers we are looking at for next year.
- Parag Thakkar:** Any upside cap we can expect that if suppose something else also comes up for acquisition, what kind of upside cap we have in our mind for net debt-to-EBITDA number?
- V. Krishnakumar:** We will be comfortable. The banks require you to stick to 3 times. So, we will be comfortable holding the 2x mark. That is the internal benchmark that we have for ourselves.
- Parag Thakkar:** From shareholder perspective, I would also recommend that only, not to cross beyond 2. Although your scalability and the way you have turned around Oaknet and your margins have improved, that tells us about your capability to shore up the margins. But then too, I think net debt-to-EBITDA of about 2x will be slightly more dangerous. That is our

suggestion also. The other thing is that, in all these brands, basically you expect the entire Rs. 400 crores to go up to your 36-38% margin which you said, right?

**V. Krishnakumar:** That is right.

**Parag Thakkar:** By FY24 or 25?

**V. Krishnakumar:** FY24.

**Parag Thakkar:** You are saying Rs. 140 crores EBITDA and you will have a debt of Rs. 800 crores which you have taken at 8.5%. So, Rs. 70 crores will be the interest cost?

**V. Krishnakumar:** Yes.

**Parag Thakkar:** Ok. What growth we should expect from our organic business?

**V. Krishnakumar:** We can come back to you on that because we will be meeting you again in seven-eight weeks when we talk about our results. We will give you a completely comprehensive picture about the next year.

**Parag Thakkar:** Ok. Any dividend pay-out kind of thing in your mind which after all this, because we will be, the first priority is to reduce debt, right?

**V. Krishnakumar:** As I said, all of this stuff we will pick up, when we come to talk to you about the year-end results. Right now, we would like to focus more about Dermatology and Oaknet.

**Moderator:** The next question is from the line of Prashant Nair from Ambit Capital. Please go ahead.

**Prashant Nair:** Hi, good evening. Just wanted to clarify a couple of things. Firstly, the incremental spend for you on these products would be the 50 MRs and

additional sales promotion activity that you would have to do, right? Is that the right way to look at it?

**V. Krishnakumar:** Yes, Prashant. That's right.

**Prashant Nair:** Typically, when you acquire such brands, which have not been core to the seller, how do you see, how much do you have to step up intensity, related to what you would be normally doing in a product of yours? Is there any sense you can give which helps us understand this upfront?

**Amit Bakshi:** Yes, Prashant. Generally, if you ask us, we find it a little convenient to say tail brands and all those things. But when we look at the brand from a personality point of view and what is the kind of image it has in front of the HCPs. All these brands which we are talking about, and also the Glenmark brands, they really stand out. The Onabet, the Halobate of the world, the Sorvate of the world are really leaders in their own therapies.

What happens over a period of time when you have a very large basket you can't help, but it comes into some kind of a chronological order. When it comes to some fresh hands, the energy all of a sudden increases. Because there are lot of therapy gaps available in the acquirer in case of us. The focus and the energy increases very, very rapidly. And just the fact that when a brand is promoted as number four and when it is promoted as number one or two, makes a significant difference.

Let's not talk about what will happen to these brands. Take Oaknet for an example. It is just about the energy, the positioning of the brands and that's how the whole difference is made. In our plan we have a very fresh and energetic way to look into these brands in different therapies and I believe that energy gives it a flip for growth.

**Prashant Nair:** Just one more clarification. KK, when you mentioned the revenue number for a few of these brands, north of Rs. 10 crore, couple which are in the

Rs. 20 crores bracket, these are at AWACS level, right? or are these primary?

**Amit Bakshi:** Yes, these are AWACS number and some of them are a little exaggerated also. I think offline Kruti can tell you exactly what the brands size are.

**Moderator:** The next question is from the line of Niharika from Aequitas Investments. Please go ahead.

**Niharika:** Considering the cost of acquisition of Rs. 275 crores and the turnover of around Rs. 50 crores, it's a value of around upwards of like 5.5 times. You must have done some market research. According to you, what justifies this high value which you have given for it? And what revenue potential does this portfolio holds say in next three-four years based on your research?

**Amit Bakshi:** Yes, that's a nice question. As we were alluding to, that Cosmetology is a little premium to Dermatology and the growth also in the last five years has always ebbed the Dermatology growth. Cosmetology as a segment is a little more revered than Dermatology. That's number one.

Then you look at what is the category you're looking at. A product like an Aquaderm, which is like Rs. 5-7 crore revenue if I'm not wrong. But the category is Emollient and it is the perception on that category has been very nice. We do run this perception analysis among the HCP, brand-wise just to see how the brand is positioned in their head.

So, because number one, it is Cosmetology. Number two, it is ticking the right boxes as far as the therapy is concerned and historically, Cosmetology has been a little more revered and growth has also been better than Dermatology. That put together makes that premium which goes along.

**Niharika:** Any revenue potential that you must have assessed in say next four years, five years on a long-term basis these nine brands can go up to this level from Rs. 50 crores to say some number?

**Amit Bakshi:** 15% to 20% growth in these products because they are early brands, the average size is between Rs. 5-9 crores. Therefore, we find the headroom is quite good. We assume a 15% to 20% growth over the next four years.

**Moderator:** Next question is from the line of Harshal Patil from Mirae Asset. Please go ahead.

**Harshal Patil:** Just had one question to ask you. Basically, this was with respect to the margins for Oaknet. If we see the Q3 margins as of December quarter, I guess Oaknet was at around 27% and right now we are expecting about 25% for FY24. Am I missing something out here?

**V. Krishnakumar:** Yes, I mentioned that 25% would be the margin for this year that is FY23 full year approximately. The margin for FY24 will be in the range of 36% to 38%.

**Harshal Patil:** The leverage would effectively be the ramp up in the new portfolio of Derma. That's Glenmark plus Oaknet plus Dr. Reddy's portfolio?

**Amit Bakshi:** Yes, the ramp up will always be a leverage. But what is important here when you get brands and you make them sit on the same people that is where the productivity thing kicks in. At a thumb rule level, if you are in the vicinity of 78-80% Gross Margins and are hitting a Rs. 5 lakh, close to Rs. 5 lakh kind of a YPM, then it results in these kinds of margins. When we are giving you these numbers, we have really not incorporated, substantial growth in the whole Oaknet system.

We are giving you a very nominal kind of a growth because we have to get things together. But it's just the function of a Rs. 5 lakh productivity



and a huge Gross Margin between 78% to 80%. Largely, when these two things are there, the EBITDA margins will fall in between that 36% to 40%.

**Moderator:** Next question is from the line of Shalabh Agarwal from Snowball Capital. Shalabh, may I request you to unmute your line from your side and go ahead with your question, please? Shalabh, if you can hear us, may I request you to unmute your line from your side and go ahead with the question please?

Due to no response, we move to the next participant. Next follow-up question is from the line of Tarang Agrawal from Old Bridge Capital. Please go ahead.

**Tarang Agrawal:** Hi, just wanted to check. You mentioned that you are number 3 in the covered market for Derma. Would the top two players be the same players who are the leaders in overall Derma therapy for this covered market as well?

**V. Krishnakumar:** GSK and Sun, in this particular case, for the covered market, they are ahead of us.

**Moderator:** Next question is from the line of Ayush Vimal from Clearview Capital. Please go ahead.

**Ayush Vimal:** Thanks for taking my question. I think a key part of the strategy to show the Gross Margins is to ultimately make these products in-house, these acquired brands in-house. Just wanted to check what is the maximum turnover that we can generate out of the Rs. 300 crore gross block that we have currently? And whether there will be an imminent need for creating new capacity going forward if we were to in-source these products?

**V. Krishnakumar:** I'll answer those two questions one by one. The potential for Fixed Asset Turnover in our industry is very high. We are seeing a Fixed Asset Turnover of more than 10 times for our Guwahati plant. We expect you should see at least that if not more for the new facility.

In terms of bringing the Derma operations in-house, that is actively being evaluated. At present, our second facility is configured for oral solid dose and injectables, not for Derma. If we do bring these products in-house, there will be some incremental investment, which we can quantify as soon as we make that decision. But your point is right that there will definitely be an arbitrage in terms of improvement in Gross Margin if they are brought in-house.

**Amit Bakshi:** Am I wrong in saying that we will not need any land and building because we already have blocks in place. So, it will all be plant and machinery.

**V. Krishnakumar:** Yes. We won't need to spend on civil and utilities.

**Ayush Vimal:** Any timeline that you have in mind to get these brands in-house?

**V. Krishnakumar:** That's being evaluated right now. We haven't crystallized on anything, but the next time we have a chat I am sure we will have some kind of an update.

**Ayush Vimal:** What is the percentage of products that are manufactured through third parties, if I can get that number from you?

**V. Krishnakumar:** Was this question for the Derma portfolio or for company as a whole?

**Ayush Vimal:** Company as a whole.

**V. Krishnakumar:** Third party percentage is 15% to 20%.

**Moderator:** Thank you very much. Ladies and gentlemen, we will take that as the last question. On behalf of Eris Lifesciences, that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.

This document has been revised to improve readability.