



ERIS LIFESCIENCES LIMITED

Our Company was incorporated as “Eris Lifescience Private Limited” on January 25, 2007, as a private limited company under the Companies Act 1956, at Ahmedabad, with a certificate of incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. A fresh certificate of incorporation consequent to the change in our Company’s name to “Eris Lifesciences Private Limited” was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on February 9, 2007. Further, pursuant to the conversion of our Company to a public limited company, our name was changed to “Eris Lifesciences Limited” and the Registrar of Companies, Ahmedabad (the “RoC”) issued a fresh certificate of incorporation on February 2, 2017. For more information on the changes in name and registered office of our Company, see “*History and Certain Corporate Matters*” on page 128.

Corporate Identity Number: U24232GJ2007PLC049867

Registered Office: 21, New York Tower A, near Muktidham Temple, Thaltej Cross Road, Thaltej, Ahmedabad 380 054, Gujarat, India **Tel:** +91 79 4890 3474 **Fax:** +91 79 4890 3474

Corporate Office: 7th Floor, Commerce House IV, beside Shell Petrol Pump, 100 Feet Road, Prahladnagar, Ahmedabad 380 015, Gujarat, India **Tel:** +91 79 3045 1111 **Fax:** +91 79 3017 9404

Contact Person: Mr. Milind Talegaonkar, Company Secretary and Compliance Officer **Tel:** +91 79 3045 1182 **Fax:** +91 79 3017 9404

E-mail: complianceofficer@erislifesciences.com **Website:** www.eris.co.in

OUR PROMOTERS: MR. AMIT INDUBHUSHAN BAKSHI, MR. HIMANSHU JAYANTBHAI SHAH, MR. INDERJEET SINGH NEGI, MR. RAJENDRAKUMAR RAMBHAI PATEL AND MR. KAUSHAL KAMLESH SHAH

INITIAL PUBLIC OFFERING OF 28,875,000¹ EQUITY SHARES (THE “OFFER”) OF FACE VALUE OF ₹ 1 EACH (THE “EQUITY SHARES”) OF ERIS LIFESCIENCES LIMITED (OUR “COMPANY” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 603² PER EQUITY SHARE (THE “OFFER PRICE”) AGGREGATING TO ₹ 17,411.63 MILLION³ THROUGH AN OFFER FOR SALE (THE “OFFER FOR SALE”) OF 22,344,000 EQUITY SHARES AGGREGATING TO ₹ 13,473.43 MILLION BY BOTTICELLI (THE “INVESTOR SELLING SHAREHOLDER”), 687,500 EQUITY SHARES AGGREGATING TO ₹ 414.56 MILLION BY MR. AMIT INDUBHUSHAN BAKSHI, 687,500 EQUITY SHARES AGGREGATING TO ₹ 414.56 MILLION BY MR. HIMANSHU JAYANTBHAI SHAH, 1,031,167 EQUITY SHARES AGGREGATING TO ₹ 621.79 MILLION BY MR. INDERJEET SINGH NEGI, 1,031,166 EQUITY SHARES AGGREGATING TO ₹ 621.79 MILLION BY MR. RAJENDRAKUMAR RAMBHAI PATEL, 1,031,167 EQUITY SHARES AGGREGATING TO ₹ 621.79 MILLION BY MR. KAUSHAL KAMLESH SHAH (TOGETHER, THE “PROMOTER SELLING SHAREHOLDERS”), 1,375,000 EQUITY SHARES AGGREGATING TO ₹ 829.13 MILLION BY MR. BHIKHABHAI CHIMANLAL SHAH AND 687,500 EQUITY SHARES AGGREGATING TO ₹ 414.56 MILLION BY MR. HETAL RASIKLAL SHAH, (COLLECTIVELY, THE “OTHER SELLING SHAREHOLDERS”), TOGETHER WITH THE INVESTOR SELLING SHAREHOLDER AND THE PROMOTER SELLING SHAREHOLDERS, THE “SELLING SHAREHOLDERS”). THE OFFER INCLUDES A RESERVATION OF 150,000 EQUITY SHARES AGGREGATING TO ₹ 81.45 MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE “EMPLOYEE RESERVATION PORTION”). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE “NET OFFER”, AGGREGATING TO 28,725,000 EQUITY SHARES. THE OFFER AND THE NET OFFER CONSTITUTE 21% AND 20.89%, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1 EACH AND THE OFFER PRICE IS ₹ 603 PER EQUITY SHARE, WHICH IS 603 TIMES THE FACE VALUE OF THE EQUITY SHARES.

Subject to finalization of the Basis of Allotment

**A Discount of ₹ 60 to the Offer Price was offered to Eligible Employees participating in the Employee Reservation Portion (“Employee Discount”). All amounts have been included taking into consideration the Employee Discount.*

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1 EACH AND THE OFFER PRICE IS 603 TIMES THE FACE VALUE OF THE EQUITY SHARES

The Offer is made in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), wherein atleast 10% of the post-Offer Equity Share capital of our Company is offered to the public through the Book Building Process and in compliance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”), wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), provided that our Company and the Investor Selling Shareholder, in consultation with the BRLMs, have allocated up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the “Anchor Investor Portion”), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Category was made available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer was made available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) were mandatorily required to participate in this Offer only through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account in which the Bid Amount were blocked by the Self Certified Syndicate Banks (the “SCSBs”). Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see “Offer Procedure” on page 292.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 1 each and the Offer Price is 603 times the face value of the Equity Shares. The Offer Price (as determined and justified by our Company and the Investor Selling Shareholder in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, and as stated in “Basis for Offer Price” on page 84) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 16.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder accepts responsibility for and confirms that the information relating to itself and the Equity Shares being offered by it in the Offer for Sale contained in this Prospectus are true and correct in all material aspects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to the Company or the other Selling Shareholders in this Prospectus.

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated February 27, 2017 and February 24, 2017, respectively. For the purposes of this Offer, NSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been and this Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

Axis Capital Limited 1 st Floor, Axis House, C-2, Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India Tel: + 91 22 4325 2183 Fax: +91 22 4325 3000 E-mail: eris.ipo@axiscap.in Investor grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact person: Mr. Lohit Sharma SEBI Registration No.: INM000012029	Citigroup Global Markets India Private Limited 1202, 12 th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East), Mumbai 400 098, Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 E-mail: erislifesciences.ipo@citi.com Investor Grievance E-mail: investors.cgmb@citi.com Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Mr. Ashish Guneta SEBI Registration No.: INM000010718	Credit Suisse Securities (India) Private Limited 9th Floor, Ceejay House Dr. Annie Besant Road Worli, Mumbai 400 018 Maharashtra, India Tel: +91 22 6777 3777 Fax: +91 22 6777 3820 E-mail: list.projectapollo@credit-suisse.com Website: www.credit-suisse.com/in/IPO/ Investor Grievance E-mail: list.igcellmerbnkg@credit-suisse.com Contact Person: Mr. Abhay Agarwal SEBI Registration No.: INM000011161	Link Intime India Private Limited C-101, 1 st Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India Tel: +91 22 4918 6200 Fax: +91 22 4918 6195 E-mail: eris.ipo@linkintime.co.in Website: www.linkintime.co.in Investor Grievance Email: www.linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/OFFER PERIOD*

BID/OFFER OPENED ON*	JUNE 16, 2017	BID/OFFER CLOSED ON	JUNE 20, 2017

* The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date, i.e., June 15, 2017.

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SECTION I - GENERAL DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail. Notwithstanding the foregoing, terms in “**Main Provisions of the Articles of Association**”, “**Statement of Tax Benefits**”, “**Industry Overview**”, “**Key Regulations and Policies in India**”, “**Financial Information**”, “**Outstanding Litigation and Material Developments**” and “**Part B**” of “**Offer Procedure**”, will have the meaning ascribed to such terms in these respective sections.

Unless the context otherwise indicates, all references to “**the Company**” and “**our Company**” are references to Eris Lifesciences Limited, a company incorporated in India under the Companies Act 1956 with its Registered Office situated at 21, New York Tower A, near Muktidham Temple, Thaltej Cross Road, Thaltej, Ahmedabad 380 054, Gujarat India and its Corporate Office situated at 7th Floor, Commerce House IV, besides Shell Petrol Pump, 100 Feet Road, Prahladnagar, Ahmedabad 380 015, Gujarat, India and references to “**we**”, “**us**” and “**our**” are references to our Company, together with its Subsidiaries (as defined below).

Company Related Terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended
Amay Pharma	Amay Pharmaceuticals Private Limited
Aprica Health	Aprica Healthcare Private Limited
Aprica Trademark Licence Agreement	Trademark license agreement dated July 12, 2016, between our Company and Aprica Health
Assam Facility	The manufacturing facility of our Company situated at Plot no. 30 and 31, Brahmaputra Industrial Park, Under Mouza-Sila, Senduri Ghopa, Amingaon, North Guwahati, Guwahati 781 031 Assam, India
Audit Committee	The audit committee of our Board, comprising Ms. Vijaya Sampath, Mr. Rajiv Gulati and Mr. Himanshu Jayantbhai Shah
Auditors/ Statutory Auditors	The statutory auditor of our Company, being Deloitte Haskins & Sells, LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Corporate Office	The corporate office of our Company, situated at 7 th Floor, Commerce House IV, besides Shell Petrol Pump, 100 Feet Road, Prahladnagar, Ahmedabad 380 015, Gujarat, India
CSR Committee	The corporate social responsibility committee of our Board, comprising Mr. Inderjeet Singh Negi, Dr. Kirit Nanubhai Shelat and Mr. Himanshu Jayantbhai Shah
Director(s)	The director(s) on our Board
Eris ESOP	Eris Lifesciences Employee Stock Option Plan 2017
ETPL	Eris Therapeutics Private Limited
Equity Shares	The equity shares of our Company of face value of ₹ 1 each
Group Companies	The group companies of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board, if any
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, comprising Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi.
Investor Selling Shareholder	Botticelli
KMP/ Key Managerial Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in “ Our Management ” on page 135
Kinedex	Kinedex Healthcare Private Limited
Materiality Policy	The policy adopted by our Board on February 6, 2017 for identification of Group Companies, outstanding material litigation and outstanding dues to creditors in

	respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations
MoA/Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, comprising Mr. Rajiv Gulati, Mr. Shardul Suresh Shroff and Ms. Vijaya Sampath
Other Selling Shareholders	Mr. Bhikhabhai Chimanlal Shah and Mr. Hetal Rasiklal Shah
Promoters	The promoters of our Company, namely Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations and as disclosed in “ Our Promoters, Promoter Group and Group Companies ” on page 150
Promoter Selling Shareholders	Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah
Registered Office	The registered office of our Company, situated at 21, New York Tower A, near Muktidham Temple, Thaltej Cross Road, Thaltej, Ahmedabad 380 054, Gujarat India
Restated Consolidated Financial Statements	Restated consolidated financial statement of assets and liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013 and statement of profit and loss and statement of cash flows for each of the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013 of our Company and its subsidiaries, as applicable during the relevant periods, read along with all the schedules and notes thereto and included in “ Financial Statements ” on page 156
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and Restated Standalone Financial Statements
Restated Standalone Financial Statements	Restated standalone financial statement of assets and liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013 and statement of profit and loss and statement of cash flows for each of Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013 of our Company read along with all the schedules and notes thereto and included in “ Financial Statements ” on page 156
Selling Shareholders	Collectively, the Investor Selling Shareholder, the Promoter Selling Shareholders and the Other Selling Shareholders
Shareholders	The holders of the Equity Shares
Sozin	Sozin Flora Pharma
Stakeholders Relationship Committee	The stakeholders relationship committee of our Board, comprising Ms. Vijaya Sampath, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi
Subsidiaries	The subsidiaries of our Company as disclosed in “ History and Certain Corporate Matters – Subsidiaries of our Company ” on page 133
SHA	Shareholders’ agreement dated August 26, 2011 entered into among our Company, our Promoters, Mr. Hetal Rasiklal Shah, Mr. Rakeshbhai Bhikhabhai Shah, Mr. Bhikhabhai Chimanlal Shah and Botticelli, as amended by amendment agreement dated January 20, 2017
SPSHA	Share purchase and shareholders’ agreement dated December 12, 2016 among our Company, Kinedex and Rakesh Dhuria, Anita Dhuria, Neeru Dhuria, Atul Arora and Rakesh Dhuria & Son (HUF)

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotted/Allotment/Allot	The transfer and allotment of the Equity Shares to successful Bidders pursuant to the Offer
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange

Term	Description
Anchor Investor	A QIB, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors were submitted and allocation to the Anchor Investors was completed, in this case being June 15, 2017
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price was decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, in this case being ₹ 603 per Equity Share
Anchor Investor Portion	Up to 60% of the QIB Category, which was allocated by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by Bidders (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which has been blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor)
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which has been considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Axis Banker(s) to the Offer	Axis Capital Limited Escrow Bank(s), Refund Banks(s) and Public Offer Account Bank(s), in this case being Axis Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in “ Offer Procedure ” on page 292
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term ‘Bidding’ shall be construed accordingly
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer, less Employee Discount
Bid cum Application Form	The form in terms of which the Bidder makes a Bid, including ASBA Form, and which is considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	24 Equity Shares and in multiples of 24 Equity Shares thereafter
Bidder	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bid/Offer Closing Date	Except in relation to any Bids received from Anchor Investors, June 20, 2017
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, June 16, 2017
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) submitted their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus, in this case being from June 16, 2017 to June 20, 2017
Bidding Centres	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs

Term	Description
Book Building Process	The book building process as described in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/BRLMs	Axis Capital Limited, Citigroup Global Markets India Private Limited and Credit Suisse Securities (India) Private Limited, the book running lead managers to the Offer
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the Bid cum Application Forms. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	₹ 603 per Equity Share
Client ID	Client identification number of the Bidder's beneficiary account
Citi	Citigroup Global Markets India Private Limited
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Credit Suisse	Credit Suisse Securities (India) Private Limited
Cut-off Price	The Offer Price, finalized by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, in this case being ₹ 603 per Equity Share. Only Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidders' address, names of the Bidders' father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which collected the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) have submitted the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, after this Prospectus is filed with the RoC
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) have submitted the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Red Herring Prospectus/DRHP	The draft red herring prospectus dated February 8, 2017, issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employee	All or any of the following:

Term	Description
	(a) a permanent and full time employee of our Company or of any of our Subsidiaries (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as of the date of filing of the Red Herring Prospectus with the RoC and who continued to be an employee of our Company or of any of our Subsidiaries until the submission of the Bid cum Application Form, and was based, working and present in India as on the date of submission of the Bid cum Application Form; and (b) a director of our Company or of any of our Subsidiaries, whether a whole time director, part time director or otherwise, (excluding such directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and any Promoter) as of the date of filing the Red Herring Prospectus with the RoC and who continued to be a director of our Company or any of our Subsidiaries, as applicable until the submission of the Bid cum Application Form and was based and present in India as on the date of submission of the Bid cum Application Form.
	An employee, who was recruited against a regular vacancy but was on probation as on the date of submission of the Bid cum Application Form was also deemed a ‘permanent and a full time employee’.
	The maximum Bid Amount under the Employees Reservation Portion by an Eligible Employee cannot exceed ₹ 500,000
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constituted an invitation to subscribe to the Equity Shares
Employee Discount	A discount of ₹ 60 offered to Eligible Employees bidding in the Employee Reservation Portion, as decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs
Employee Reservation Portion	The portion of the Offer, being 150,000 Equity Shares, aggregating to ₹ 81.45 million, comprising 0.11% of the post-Offer Equity Share capital of our Company, made available for allocation to Eligible Employees, on a proportionate basis
Escrow Account	Account opened with Escrow Bank for the Offer and in whose favour the Anchor Investors transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement dated June 2, 2017, entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Bank, the Public Offer Account Bank and Refund Bank for collection of the Bid Amounts and where applicable remitting refunds, if any, on the terms and conditions thereof
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a banker to an offer and with whom the Escrow Account is opened, in this case being Axis Bank Limited
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	₹ 600 per Equity Share
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in “ Offer Procedure ” on page 292
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Minimum Promoters’ Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters’ contribution and locked-in for a period of three years from the date of Allotment

Term	Description
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or 430,875 Equity Shares which was made available for allocation to Mutual Funds only, on a proportionate basis
Non-Institutional Category	The portion of the Offer, being not more than 15% of the Net Offer or 4,308,750 Equity Shares, which was made available for allocation on a proportionate basis to Non-Institutional Investors
Non-Institutional Investors/NIIIs	All Bidders, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, or Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer/Offer for Sale	Public offer of 28,875,000 [#] Equity Shares of face value ₹ 1 each for cash at a price of ₹ 603 each by the Selling Shareholders in terms of the Red Herring Prospectus and this Prospectus. The Offer, aggregating to ₹ 17,411.63 million, comprises a Net Offer to the public of 28,725,000 Equity Shares and an Employee Reservation Portion of 150,000 Equity Shares for subscription by Eligible Employees. The Offer and the Net Offer constitute 21% and 20.89% of the post-Offer paid up Equity Share capital of our Company, respectively
	<i>[#] Subject to finalisation of the Basis of Allotment</i>
Offer Agreement	The agreement dated February 8, 2017 entered into among our Company, the Selling Shareholders and the BRLMs, as amended by an amendment agreement dated May 25, 2017, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), being ₹ 603 per Equity Share, as determined in accordance with the Book Building Process by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, in terms of the Red Herring Prospectus on the Pricing Date. A discount of ₹ 60 on the Offer Price was offered to Eligible Employees bidding in the Employee Reservation Portion
Price Band	Price band of the Floor Price of ₹ 600 and a Cap Price of ₹ 603
Pricing Date	The date on which our Company and the Investor Selling Shareholder, in consultation with the BRLMs, finalized the Offer Price, being June 21, 2017
Prospectus	This Prospectus dated June 21, 2017 to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account opened with the Banker to the Offer under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank with whom the Public Offer Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being Axis Bank Limited
QIB Category	The portion of the Offer, being at least 75% of the Net Offer or 21,543,750 Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation was made on a discretionary basis, as determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs)
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus dated June 6, 2017, including the 'Addendum – Notice to Investors' dated June 15, 2017 and published on June 16, 2017 in all English and Gujarati editions of Financial Express and all Hindi editions of Jansatta, issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC
Refund Account(s)	Account(s) opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank	The bank with whom the Refund Account is opened, in this case being Axis Bank Limited

Term	Description
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated February 7, 2017 entered into among our Company, the Selling Shareholders and the Registrar to the Offer, as amended by an amendment agreement dated May 25, 2017, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not more than 10% of the Net Offer or 2,872,500 Equity Shares which was made available for allocation to Retail Individual Investors
Retail Individual Investors/ RIIs	Bidders other than Eligible Employees Bidding in the Employee Reservation Portion, whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self Certified Syndicate Banks or SCSBs	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, namely Link Intime India Private Limited.
Share Escrow Agreement	The agreement dated May 25, 2017, entered into among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of the respective portion of Equity Shares offered by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate accepted Bid cum Application Forms, a list of which was included in the Bid cum Application Form
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement dated June 2, 2017, entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate (other than Bids directly submitted to the SCSBs under the ASBA process and Bids submitted to the Registered Brokers at the Broker Centers)
Syndicate or members of the Syndicate or the Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being the Book Running Lead Managers
Underwriters	The Book Running Lead Managers
Underwriting Agreement	The agreement dated June 21, 2017 entered among our Company, the Selling Shareholders, the Underwriters and the Registrar to the Offer
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Conventional and General Terms and Abbreviations

Term	Description
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AIF(s)	Alternative Investment Funds
AS 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
Boiler Act	The Indian Boilers Act, 1923
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from June 7, 2016, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's identity number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECA	Essential Commodities Act, 1955
EPA	Environment Protection Act, 1986
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
Factories Act	Factories Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FII(s)	Foreign Institutional Investors as defined under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2000, registered with the SEBI under applicable laws in India and deemed as FPIs under the SEBI FPI Regulations
Financial Year/Fiscal/ Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI

Term	Description
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
IND (AS) / Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
IPDMS	Integrated Pharmaceutical Database Management System
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IRDA Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2000
IT	Information Technology
Legal Metrology Act	Legal Metrology Act, 2009
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPPA	National Pharmaceutical Pricing Authority
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian as defined under the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act, 1933
RoC or Registrar of Companies	The Registrar of Companies, Gujarat
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI SBEB Regulations	The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

Term	Description
STT	Securities Transaction Tax
Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act, 1933	U.S. Securities Act of 1933, as amended
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Industry Related Terms

Term	Description
ABPMs	Ambulatory Blood Pressure Monitoring
AHT	Anti-hypertensives
API	Active Pharmaceutical Ingredients
ARBs	Angiotensin Receptor Blockers
BMW Rules	Biomedical Waste Management Rules, 2016
CDSCO	Central Drugs Standard Control Organization of India
CGM	Continuous Glucose Monitoring
Class 1 towns	Towns and cities in India with a population between 100,000 and one million
DCA	Drugs and Cosmetics Act, 1940
DMRA	Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954
DPCO / DPCO 2013	Drugs Pricing Control Order, 2013
DC Rules	Drugs and Cosmetics Rules, 1945
DGCI	Drugs Controller General of India
Drugs Control Act	Drugs Control Act, 1950
FSSA	Food Safety and Standards Act, 2006
FSSR	Food Safety and Standards Rules, 2011
FSSAI	Food Safety and Standards Authority of India
GMP	Good Manufacturing Practices
IMS	IMS Health Information and Consulting Services India Private Limited
IPM	Indian Pharmaceutical Market
KOLs	Key Opinion Leaders
Metro Cities	Cities in India with a population of over one million
NCDs	Non-Communicable Diseases
NDPS Act	Narcotics Drugs and Psychotropic Substances Act, 1985
NDPS Rules	Narcotics Drugs and Psychotropic Substances Rules, 1985
NEIIP	North East Industrial and Investment Promotion Policy, 2007
OTC	Over the Counter Drugs
PCOS	Polycystic Ovarian Syndrome
Registered Medical Practitioners	Consulting Physicians, Specialists and Super Specialists
Regulation of Controlled Substances Order	The Narcotics Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013
Sales Promotion Act	Sales Promotion Employees (Conditions of Service) Act, 1976
SMSRC	Strategic Marketing Solutions and Research Centre
SSA	Secondary Sales Audit; conducted by IMS, which comprises of secondary sales from authorized pharmaceuticals stockists to retailers
TSA	Total Sales Audit; conducted by IMS, which comprises of secondary sales from authorized pharmaceuticals stockists to retailers and sales from sub-stockists, doctors and hospitals, but does not include the sales to institutions and tenders
UCPMP	Uniform Code of Pharmaceutical Marketing Practices

Term	Description
USFDA	United States Food and Drug Administration
WDV	Written Down Value Method
WPI	Wholesale Price Index

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act 1956, as superseded and substituted by notified provisions of the Companies Act 2013 (together the “**Companies Act**”), the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus to “India” are to the Republic of India.

Financial Data

Unless indicated otherwise, the financial data in this Prospectus is derived from our restated consolidated financial information and restated standalone financial information as of and for the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013 and the respective notes, schedules and annexures thereto, prepared in accordance with the Generally Accepted Accounting Principles in India (the “**Indian GAAP**”) and the Companies Act and restated in accordance with the SEBI ICDR Regulations and included elsewhere in this Prospectus.

Certain data included in this Prospectus in relation to certain operating metrics, financial and other business related information not otherwise included in the restated financial information has been reviewed and verified by IMS Health Information and Consulting Services India Private Limited (“**IMS**”).

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “**IFRS**”) and the Generally Accepted Accounting Principles in the United States of America (the “**U.S. GAAP**”). Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI ICDR Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial information to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

On February 16, 2015, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Rules, 2015 (“**IAS Rules**”) for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial information of the companies to which they apply shall be prepared and audited in accordance with the IND (AS), although any company may voluntarily implement IND (AS) for the accounting period beginning from April 1, 2015. In terms of the IAS Rules, our Company is required to prepare its financial statements in accordance with IND (AS) for periods beginning on or after April 1, 2017. Accordingly, our financial statements for the period commencing from April 1, 2017 may not be comparable to our historical financial statements.

We have provided a reconciliation of the restated shareholders’ equity and net profit after tax on a standalone and consolidated basis for our Company, as of and for the fiscal year ended March 31, 2017, respectively, to the unaudited shareholders’ equity and net profit after tax on a standalone and consolidated basis for our Company as of and for the fiscal year ended March 31, 2017, respectively, prepared by our Company in accordance with the recognition and measurement of principles of IND AS 101 – ‘First-time Adoption of Indian Accounting Standards’. For details, see “**Financial Information - Statement of Reconciliation between IND (AS) and Indian GAAP**” on page 227. Except such reconciliation, we have not made any attempt to quantify or identify the impact of the differences between Indian GAAP and IND (AS) as applied to our financial information and it is urged that you consult your own advisors regarding the impact of difference, if any, on financial data included in this Prospectus. We have also included certain principal differences between Indian GAAP and IND (AS) that may have a material effect on our financial statements. Potential investors should consult their own advisers for an understanding of the principal differences between the existing Indian GAAP and the IND (AS), and how these differences might affect the financial statements appearing in this document. See “**Risk Factors – Our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the effect of such transition on our Company.**” on page 32.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the

numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained from various industry publications and sources, such as ‘*Indian Pharmaceutical Market*’ dated March 2017 issued by IMS and the Strategic Marketing Solutions and Research Centre or derived from publicly available information including from the websites of the Ministry of External Affairs, Government of India. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the BRLMs, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Prospectus is meaningful depends upon the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “**Risk Factors**” on page 16.

Currency and Units of Presentation

All references to “**Rupees**” or “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India. All references to “**US\$**”, “**U.S. Dollar**”, “**USD**” or “**U.S. Dollars**” are to United States Dollars, the official currency of the United States of America. All reference to “**Eur**” or “**€**” is to Euro, the official currency of the European Union. All reference to “**GBP**” is to the Great Britain Pound, the official currency of Great Britain.

In this Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents ‘10 lakhs’ or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

This Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Prospectus into Indian Rupees for the periods indicated are provided below.

(in ₹)

Currency	Exchange rate as on March 31, 2017	Exchange rate as on March 31, 2016	Exchange rate as on March 31, 2015	Exchange rate as on March 28, 2014*	Exchange rate as on March 28, 2013**
1 USD	64.84	66.33	62.59	60.09	54.39
1 GBP	80.88	95.20	92.76	99.73	82.27
1 Eur	69.25	75.09	67.51	82.58	69.54

Source: RBI Reference Rate (for USD, GBP and Eur)

* Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

** Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a Sunday, Saturday and public holiday respectively.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*propose*”, “*will continue*”, “*seek to*”, “*will pursue*” or other words or phrases of similar import.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that would cause actual results to differ materially include, including, but not limited to:

- Involvement of our Company in legal proceedings incidental to our business and operations;
- Involvement of our Promoters in criminal proceedings;
- Any disruptions in production at, or shutdown of, our manufacturing facility;
- Our inability to successfully integrate recently acquired businesses;
- The manufacturing facilities of our third party manufacturers ceasing to be available to us at terms acceptable to us, or if we experience problems with, or interruptions at such facilities;
- Letters received from the Medical Council of India and certain state medical councils in connection with anonymous complaints, alleging that we have provided benefits to several doctors;
- Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs;
- Any quality control problems at our manufacturing facility or those of our third party manufacturers which could damage our reputation and expose us to litigation or other liabilities;
- If our top mother brand groups or products in our key therapeutic areas do not perform as expected; and
- A decrease in the number of our marketing representatives or termination of our sales arrangements.

For a further discussion of factors that could cause our actual results to differ, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 16, 105 and 234, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of future performance. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate.

Neither our Company, nor the Selling Shareholders, nor the Syndicate, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with regulatory requirements, our Company, the Selling Shareholders and the BRLMs will ensure that investors in India are informed of material developments until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with “**Our Business**”, “**Industry Overview**” and “**Management’s Discussions and Analysis of Financial Condition and Results of Operations**” on pages 105, 92 and 234, respectively, as well as the financial, statistical and other information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. See “**Forward-Looking Statements**” on page 15.

Unless otherwise stated, all financial information of our Company used in this section has been derived from the Restated Consolidated Financial Statements.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

Risks Relating to our Business

1. **There are outstanding proceedings involving our Company, and certain of our Subsidiaries, Promoters and our Directors and any adverse outcome in any of these proceedings may have an adverse effect on our business, results of operations and financial condition.**

There are outstanding legal proceedings involving our Company, our Subsidiaries, our Promoters and our Directors, that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals, quasi-judicial authorities and appellate tribunals. For further details of material legal proceedings involving our Company, our Subsidiaries, our Promoters and our Directors, see “**Outstanding Litigation and Material Developments**” on page 260. An overview of the proceedings against our Company, Subsidiaries, Promoters and Directors as of the date of this Prospectus is provided below:

I. Litigation against our Company

(in ₹ million)			
S. No.	Nature of litigation	Number of cases against the Company	Approximate amount involved
1.	Civil proceedings ¹	5	53.50
2.	Action initiated by statutory / regulatory authority	11	129.03
3.	Taxation proceedings	2	3.02

¹ This involves a common proceeding by Amay Pharma against our Company and Aprica Health.

II. Litigation by our Company

(in ₹ million)			
S. No.	Nature of litigation	Number of cases by the Company	Approximate amount involved

1.	Criminal proceedings	3	1.58
2.	Civil proceedings	2	31.07

III. *Litigation against our Subsidiaries*

(in ₹ million except where otherwise stated)			
S. No.	Nature of litigation	Number of cases against the Subsidiary	Approximate amount involved
<i>Proceedings against ETPL</i>			
1.	Taxation proceedings	1	5.38
<i>Proceedings against Kinedex</i>			
1.	Taxation proceedings	8	9,472 (in ₹)
<i>Proceedings against Aprica Health</i>			
1.	Civil proceedings*	1	52.80

* This involves a common proceeding by Amay Pharma against our Company and Aprica Health.

IV. *Litigation by our Subsidiaries*

(in ₹ million)			
S. No.	Nature of litigation	Number of cases by the Subsidiary	Approximate amount involved
<i>Proceedings by Kinedex</i>			
1.	Civil proceedings	1	Not ascertainable

V. *Litigation against our Promoters and Directors*

(in ₹ million)			
S. No.	Nature of litigation	Number of cases against the Promoters and Directors	Approximate amount involved
<i>Proceedings against our Promoters</i>			
<i>Proceedings against Mr. Amit Indubhushan Bakshi</i>			
1.	Criminal proceedings*	1	Not ascertainable
2.	Taxation proceedings	1	Not ascertainable
<i>Proceedings against Mr. Himanshu Jayantbhai Shah</i>			
1.	Criminal proceedings*	1	Not ascertainable
<i>Proceedings against Mr. Inderjeet Singh Negi</i>			
1.	Criminal proceedings*	1	Not ascertainable
<i>Proceedings against Mr. Rajendrakumar Rambhai Patel</i>			
1.	Criminal proceedings*	1	Not ascertainable
<i>Proceedings against Mr. Kaushal Kamlesh Shah</i>			
1.	Criminal proceedings*	1	Not ascertainable
<i>Proceedings against our Directors (not including Promoters)</i>			
<i>Proceedings against Mr. Shardul Suresh Shroff</i>			
1.	Taxation proceedings	1	0.27

* This involves a common criminal proceeding against our Promoters, Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah.

The amounts claimed in these legal proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. For details of our contingent liabilities, see “**Restated Consolidated Financial Statements – Annexure V - Note 28.7 – Contingent Liabilities**” on page 222. If any new developments arise, such as a change in the applicable laws or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that these legal proceedings will be decided in favor of our Company, our Subsidiaries, our Promoters or our Directors, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability, reputation, business, results of operations and financial condition.

2. *Criminal proceedings have been initiated against our Promoters and any conviction as a result of such proceedings may affect our business, reputation and results of operations.*

A first information report dated June 7, 2014 was filed by a former employee of our Company against Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah, our Promoters, alleging grievous bodily injury and threat to life under Sections 323, 506(2) and 114 of the Indian Penal Code. For further details, see “**Outstanding Litigation and Material Developments – Litigation involving our Promoters – Criminal proceedings against our Promoters**” on page 265. As on the date of this Prospectus, no notice or summons have been received in this regard. Any conviction involving our Promoters for the alleged offences may lead to negative publicity and affect our business, reputation and results of operations.

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

We own and operate one manufacturing facility in Guwahati, Assam (the “**Assam Facility**”). For Fiscal 2016 and Fiscal 2017, products manufactured at the Assam Facility, contributed to 51.56% and 59.30% of our revenues, respectively, with an additional 28.16% and 18.67%, for the same periods, contributed by products manufactured through the manufacturing facility of our erstwhile partnership firm, M/s Sozin Flora Pharma (“**Sozin**”). Our Company was a partner in Sozin up to August 31, 2016, and pursuant to our retirement, we transitioned certain products manufactured at the Sozin manufacturing facility to our Assam Facility.

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

4. *Our efforts at integrating acquired businesses may not yield timely or effective results, which may affect our financial condition and results of operations.*

In addition to growth through our internal efforts, we intend to rely upon strategic acquisitions to provide us with access to new formulations businesses, products and markets both in therapeutic areas served by our existing business, as well as in new areas. Effective July 1, 2016, we acquired registered and unregistered trademarks, from Amay Pharmaceuticals Private Limited (“**Amay Pharma**”, previously Aprica Pharmaceuticals Private Limited). We also acquired 100.00% of the outstanding shares of Aprica Healthcare Private Limited (“**Aprica Health**”). In November, 2016, we acquired 61.48% of the outstanding equity shares of Kinedex Healthcare Private Limited (“**Kinedex**”) and an additional 14.00% of the outstanding equity shares in December 2016, to take our aggregate shareholding in Kinedex to 75.48%. We acquired equity interest in Kinedex in order to add products catering to mobility related disorders in the musculoskeletal therapeutic area to our portfolio. Additionally, pursuant to a tie-up agreement dated May 1, 2017 and acquisition of related brands, our Company obtained the exclusive right to market in India, certain neutraceutical and ayurvedic preparations manufactured by Pharmeda Herbal Private Limited under a license granted to it by the Council of Scientific and Industrial Research – Central Drug Research Institute.

These strategic acquisitions may require that our management develop expertise in new areas, manage new business relationships and attract new types of customers. We may also experience disputes in relation to such acquisitions. For example, Amay Pharma and two of its directors have initiated a suit against our Company and others, alleging non-payment of an amount of ₹52.80 million along with relevant interest, in respect of, among other things, consideration for our acquisition of trademarks from Amay Pharma. For details please see “**Outstanding Litigation and Material Developments – Other Material Outstanding Litigation Involving our Company**” on page 262. Such strategic acquisitions, and any disputes we may experience, may require significant

attention from our management, and the diversion of our management's attention and resources could have an adverse effect on our ability to manage our business.

We may also experience difficulties in integrating acquisitions into our existing business and operations. Our failure to derive anticipated synergies could affect our business, financial condition and results of operations. Future acquisitions may also expose us to potential risks, including risks associated with the integration of new operations, services and personnel, unforeseen or hidden liabilities, the diversion of resources from our existing businesses and technologies, our inability to generate sufficient revenue to offset the costs of acquisitions, and potential loss of, or harm to, relationships with employees, suppliers or customers, any of which could significantly disrupt our ability to manage our business and adversely affect our financial condition and results of operations.

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

We rely on certain third party manufacturers for manufacturing some of our products and currently use approximately 20 third party manufacturers. For Fiscal 2016 and Fiscal 2017, products manufactured through third party manufacturing arrangements contributed to 20.28% and 22.03% of our total revenues, respectively. Revenue from the products manufactured through the Company's top five third party manufacturers accounted for 10.70% and 10.90% of the total revenue of the Company, for Fiscal 2016 and Fiscal 2017, respectively. In the event that there are any delays or disruptions in the manufacturing facilities of such third party manufacturers, our ability to deliver certain products may be affected. Any of our third party manufacturers' failure to adhere to contractually agreed timelines, whether due to their inability to comply with, or obtain, regulatory approvals, or otherwise, may result in delays and disruptions to our supplies, increased costs, delayed payments for our products and damage to our reputation leading to an adverse effect on our results of operations.

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

6. *We have received letters from the Medical Council of India and certain state medical councils in connection with anonymous complaints, which allege that we have provided benefits to several doctors. In the event any of the allegations are found to be true and in violation of applicable regulations and statutes, our reputation, business and results of operations may be adversely affected.*

The Uniform Code of Pharmaceutical Marketing Practices ("UCPMP"), among other things, seeks to prohibit pharmaceutical companies from providing any gifts, pecuniary advantages or benefits in kind to medical practitioners registered with the Medical Council of India and other state or regional medical councils. We have received letters from the Medical Council of India, Delhi Medical Council, Punjab Medical Council, Maharashtra Medical Council, Gujarat Medical Council and the Rajasthan Medical Council in connection with an anonymous complaint made to the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India. The anonymous complaint alleges that we have provided benefits to various doctors, which include sponsorship of travel in India and abroad and other gifts, including expenses towards registration at various medical conferences, receipt of which by the relevant doctors, may be deemed to be a violation of the code of medical ethics issued by Medical Council of India. While we have responded to, and will continue to, respond to such notices clarifying our position and providing relevant information, in the event that any of the engagement initiatives we undertake with medical practitioners is viewed as being unethical, our reputation may be adversely affected, which could in turn adversely affect our results of operations and financial condition.

Further, while no action has been taken against us by any regulatory or governmental agency as on the date of this Prospectus, we cannot assure you that action will not be taken against us in the future. In the event any of the allegations are upheld in the course of any of proceedings or to be in violation of applicable regulations and

statutes, and if any governmental or regulatory action is taken against us, our reputation, business and results of operations may be adversely affected.

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

Raw materials, including packaging materials, are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. We purchase active pharmaceutical ingredients (“APIs”) and other materials such as excipients and primary and secondary packaging materials from third party suppliers. For Fiscal 2016, we sourced 57.79% of our APIs, 77.44% of our excipients and 78.26% of our packaging materials and for Fiscal 2017 we sourced 52.46% of our APIs, 68.42% of our excipients and 72.63% of our packaging materials from our top five suppliers in the respective Fiscals.

We do not have any long term contracts with our suppliers. Prices are negotiated for each purchase order and we generally have more than one supplier for each raw material. We seek to source our materials from reputed suppliers and typically seek quotations from multiple suppliers. However, our suppliers may be unable to provide us with a sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products.

We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price. Any increase in raw material prices may result in corresponding increases in our product costs. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to customers in an efficient, reliable and timely manner, and adversely affect our business, results of operations and financial condition.

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

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

Further, we are liable for the quality of our products for the entire duration of the shelf life of the product whether manufactured by us, or our third party manufacturers. After our products reach the market, certain developments could adversely affect demand for our products, including any contamination of our products by intermediaries, re-review of products that are already marketed, new scientific information, greater scrutiny in advertising and promotion, the discovery of previously unknown side effects or the recall or loss of approval of products that we manufacture, market or sell. For example, in October 2015, we recalled certain sachets of our Zeegut P brand, which did not adhere to applicable quality standards. Any such quality control, or related issues, which affect our products, including the requirement to recall such products, may have an adverse impact on our reputation, business and results of operations. Further, disputes over non-conformity of our products with applicable quality standards or specifications are generally referred to government approved independent testing laboratories. If any such independent laboratory confirms that our products do not conform to the prescribed or agreed standards and specifications, we may have to bear the expenses of recalling, replacing and testing such products.

We also face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. A successful product liability claim may require us to pay substantial sums and may adversely affect our results of operations and financial condition.

Additionally, the use of third party manufacturers is subject to certain risks, such as our inability to continuously monitor the quality, safety and manufacturing processes at such third party manufacturing facilities. While we have stipulated quality assurance and quality control standards for our third party manufacturers, we cannot assure

you that we will be able to maintain high quality standards in respect of the products that such third party manufacturers provide us. Although our agreements with third party manufacturers typically contain provisions which would indemnify us for the costs, expenses and damages in the event of a recall of a particular drug due to its failure to retain its potency during its shelf life, we cannot assure you that our third party manufacturers will have adequate financial resources to meet their indemnity obligations to us, which could adversely affect our business, results of operations and financial condition.

9. *We derive a significant portion of our revenue from the sale of products in certain therapeutic areas and our top mother brand groups account for a significant portion of our total revenue. Our business, results of operations and financial condition may be adversely affected if any of our top mother brand groups or products in our key therapeutic areas do not perform as expected.*

We generate a significant portion of our revenue from operations from the sale of products in certain therapeutic areas, such as cardiovascular, anti-diabetics, vitamins and gastro-intestinal. Sale of products in cardiovascular, anti-diabetics, vitamins and gastro-intestinal therapeutic areas contributed 32.7%, 28.9%, 13.7% and 9.3%, respectively, towards our revenues in the IPM, for Fiscal 2017 (*Source: IMS TSA MAT, March 2017*). Further, we are dependent on our top 10 mother brand groups, by revenue, which together generated 72.5% of our revenues in the IPM for Fiscal 2017 (*Source: IMS TSA MAT, March 2017*).

Any adverse developments with respect to our products in these therapeutic areas, and our failure to successfully introduce new products in other therapeutic areas to compensate for any losses in these therapeutic areas, could have an adverse effect on our business, results of operations and financial condition. In the event of any breakthroughs in the development of alternative drugs or substitutes for these mother brand groups or in these therapeutic areas, our products may become obsolete or be substituted by such alternatives. Our revenues from our top mother brand groups may decline as a result of increased competition, regulatory action, pricing pressures or fluctuations in the demand for, or supply of, our products.

Further, we derived 76.8% of revenues in the IPM in Fiscal 2017, from sale of our products in metro cities and class 1 towns in India (*Source: IMS analysis, TSA MAT, March 2017*). Any decrease in demand for our products in metro cities and class 1 towns in India, whether due to a shift in demand, change in pathology incidences or patterns or due to a shift in doctor prescription behavior, which is not offset by an increase in demand for our products in other regions in India, may result in a decrease in our revenues. Our failure to effectively react to such situations or to successfully introduce new products in these therapeutic areas or catering to such geographic areas, may adversely affect our business, results of operations and financial condition.

10. *We rely on our marketing representatives and distributors for the sale and distribution of our products. A decrease in the number of our marketing representatives or termination of our sales arrangements may adversely affect our business, results of operations and financial condition.*

We rely on our marketing representatives to sell our products. We employed 1,501, 1,422 and 1,499 medical representatives as of March 31, 2017, March 31, 2016 and March 31, 2015, respectively. Our marketing representatives interact with doctors to promote our product portfolio and also visit pharmacies and distributors to ensure that our brands are adequately stocked. We cannot assure you that attrition rates for our employees, particularly our marketing representatives, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and doctor relationships, and an increase in recruitment and training costs, thereby adversely affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

Further, we do not have exclusive arrangements with our distributors, which allows them to engage with our competitors. We also compete for distributors with other leading pharmaceutical companies that may have greater brand recognition and financial resources, and a broader product portfolio than we do. If our competitors provide greater incentives to our distributors, our distributors may choose to promote the products of our competitors instead of our products. Our dependence on distributors to sell our products may subject us to a number of risks, including our inability to monitor:

- the amount of resources and time that our distributors may devote to the marketing of our products; and

- significant changes in a distributors' business strategy that may adversely affect their willingness or ability to fulfill their obligations under any arrangement with us.

If we are unable to maintain and grow our domestic sales and distribution network, we may be unable to effectively sell our products, adversely affecting our business, results of operations and financial condition.

11. *Stricter norms in India for companies doing business in the pharmaceuticals industry could affect our ability to effectively market our products, which may have an adverse effect on our business, results of operations and financial condition.*

In December 2014, the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers of the Government of India announced details of the UCPMP, which became effective across India from January 1, 2015. The UCPMP is a voluntary code which, among other things, provides detailed guidelines about promotional materials, conduct of medical representatives, physician samples, gifts and relationships with healthcare professionals. For example, under the UCPMP, pharmaceutical companies may not supply or offer any gifts, pecuniary advantages or benefits in kind to persons qualified to prescribe or supply drugs. Further, the managing director or the chief executive officer of the company is responsible for ensuring adherence to the UCPMP and a self-declaration is required to be submitted by the managing director or the chief executive officer within two months of the closure of every financial year to the industry association. Although these guidelines are voluntary in nature, they may be made mandatory in the future and we may be required to spend a considerable amount of time and resources to conform to the requirements of the UCPMP.

Further, pursuant to a notification dated October 8, 2016, the Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 were amended and a letter dated April 21, 2017 issued by the Medical Council of India to the deans of all medical colleges, directors of all hospitals and presidents of all state medical councils, amongst others, to require that doctors in India are required to provide prescriptions to patients in terms of generic pharmaceutical names instead of particular brand or trade names of medicines. Our business relies, in part, on doctors, including specialists and super specialists, who prescribe our products identified by their brand names, particularly in our chosen therapeutic areas. There has been an increase in the number of doctors prescribing our products from 37,842 (constituting 13.8% of total doctors in metro cities and class 1 towns in India) as of March 31, 2013 to 50,282 (constituting 15.7% of total doctors in metro cities and class 1 towns in India) as of March 31, 2017. (Source: IMS analysis, TSA MAT, March 2017). In the event doctors, including specialists and super specialists, are unable to or are restricted from prescribing our brands, the demand for, and volume of sales of, our products may decrease, which may have an adverse effect on our business, results of operations and financial condition.

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

We operate in a highly regulated industry and our operations are subject to extensive regulation governing the Indian pharmaceutical market. Regulatory authorities must approve our products before we can market them. Applicable regulations have become increasingly stringent, a trend which may continue in the future. The penalties for non-compliance with these regulations can be severe, including the revocation or suspension of our business license, imposition of fines and criminal sanctions in those jurisdictions. For example, in 2016 the Government of India issued certain notifications prohibiting the manufacture, sale and distribution of fixed dose combination drugs. Pursuant to writ petitions, filed by certain pharmaceutical companies, including our Company, the High Court of Delhi on December 1, 2016 quashed such notifications. An appeal against such order of the High Court of Delhi has been filed before the Supreme Court of India. In the event that the Supreme Court reinstates the notifications prohibiting the sale of fixed dose combination drugs, our business, results of operations and financial condition may be adversely affected. See “*Outstanding Litigation and Other Material Developments – Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on us*” on page 263.

Further, we have ongoing obligations to regulatory authorities, such as the CDSCO, state level food and drug administrations, the DCGI and the central narcotics commissioner, both before and after a product's commercial release. Regulatory agencies may at any time inspect our Assam Facility or those of our third party manufacturers and the quality of our products. If any inspection or quality assessment results in observations or sanctions, the

relevant regulator may amend or withdraw our existing approvals to manufacture and market our products, which could adversely affect our business, financial condition and results of operations. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for the manufacturing and marketing new products. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products or impose fines upon us.

In India, the approval process for introducing a new product is complex, lengthy and expensive. If we fail to obtain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition could be adversely affected. For further details, see “**Key Regulations and Policies in India**” on page 123 and “**Government and other Approvals**” on page 267.

13. Reforms in the health care industry and the uncertainty associated with pharmaceutical pricing, reimbursement and related matters could adversely affect the pricing and demand for our products.

In India, pharmaceutical prices are subject to regulation and the Government has been actively reviewing prices for pharmaceuticals and margins offered to trade. The existence of price controls can limit the revenues we earn from our products. India enacted the National Pharmaceuticals Pricing Policy in 2012, which lays down the principles for pricing essential drugs. As a result, a number of drug formulations were identified as essential drugs and were added to India’s National List of Essential Medicines and these drugs are subjected to price controls in India. On May 15, 2013, the Department of Pharmaceuticals released the revised DPCO 2013 (which replaced the earlier Drugs (Prices Control) Order, 1995). The DPCO 2013 governs the price control mechanism for formulations listed in the National List of Essential Medicines. Under the DPCO 2013, the price of scheduled drugs is determined on the basis of the average market price of the relevant drug, arrived at by considering the prices charged by all companies that have a market share of equal to or more than 1.0% of the total market turnover on the basis of moving annual turnover of the drug.

The DPCO 2013 was amended in 2016 and the Drugs (Price Control) Amendment Order, 2016 fixed or revised ceiling prices of certain formulations under the DPCO. The NPPA may also notify the ceiling price for additional formulations under the DPCO or some or all of the remaining formulations listed in the National List of Essential Medicines. The DPCO 2013 also regulates the margin that can be offered to the trade channels including the retailers. 39 of our 249 brands extensions, which contributed to 14.35% and 12.03% of our revenues in Fiscal 2016 and 2017, respectively, presently fall within the list of scheduled formulations whose prices are regulated by the DPCO 2013.

Under terms of the DPCO 2013, non-compliance with the notified ceiling price or breaching the ceiling price would be tantamount to overcharging the consumer under the order, and the amount charged over and above the ceiling price shall be recovered along with interest thereon from the date of overcharging. Further, non-compliance with the price notification issued by NPPA, could also attract prosecution of the officers of the company under the Essential Commodities Act, 1955 including imprisonment for a term of up to seven years and shall also be liable to pay a fine. Any action against us or our management for violation of the DPCO 2013 may divert management attention and could adversely affect our business, prospects, results of operations and financial condition. We have, in the past received, and may continue to receive in the future, show cause notices from the NPPA in relation to alleged overcharging of prices of certain drug formulations. For details, see “**Outstanding Litigation and Material Developments – Pending action by statutory or regulatory authorities against our Company**” on page 261.

Further, if our ability to freely set prices for our products is restricted by government regulation, healthcare legislation and pressure from third parties, our revenues and our profits may be reduced. While we cannot predict the nature of the measures that may be adopted by governmental organizations or their effect on our business and revenues, the announcement or adoption of such proposals may affect our result of operations.

14. Any reduction in or termination of tax incentives we enjoy may affect our business, results of operations and financial condition.

We benefit from certain tax regulations and incentives that accord favorable treatment to our manufacturing facility. For example, the North East Industrial and Investment Promotion Policy, 2007 (“**NEIIP**”) is applicable to our Assam Facility, pursuant to which, our Company is eligible to avail of certain tax incentives including income tax and excise duty exemption for a period of 10 years (until Fiscal 2024 and 2025, respectively), in

addition to certain capital investment and trade subsidies. For details regarding our tax incentives and applicable periods, see “**Statement of Tax Benefits**” on page 88.

The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business results of operations and financial condition.

15. *Reliance has been placed on declarations and affidavits furnished by certain of our Directors, Promoters and Key Managerial Personnel for details of their profiles included in this Prospectus.*

Certain of our Directors, Promoters and Key Managerial Personnel, namely, Mr. Amit Indubhushan Bakshi (Promoter and Chairman and Managing Director), Mr. Himanshu Jayantbhai Shah (Promoter and Executive Director); Ms. Vijaya Sampath, Dr. Kirit Nanubhai Shelat and Mr. Rajiv Gulati (Independent Directors); Mr. Rajendra Rambhai Patel and Mr. Kaushal Kamlesh Shah (Promoters and Key Managerial Personnel); and Mr. Sachin Shah (Key Managerial Personnel) have been unable to trace copies of certain documents pertaining to their prior professional experience and previous employment. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by these Directors, Promoters and Key Managerial Personnel to disclose details of their prior professional experience and previous employment in this Prospectus and we have not been able to independently verify these details. Therefore, we cannot assure you that all information relating to the professional background of certain of our Directors, Promoters and Key Managerial Personnel included in the sections “**Our Management – Brief profiles of our Directors**” and “**Our Management – Key Managerial Personnel**” on pages 137 and 147 respectively, as may be applicable, is complete, true and accurate.

16. *If we do not successfully commercialize our products under development, or if the products that we commercialize do not perform as expected, our business, results of operations and financial condition may be adversely affected.*

Our success depends significantly on our ability to commercialize our new pharmaceutical products under development. Commercialization requires us to successfully develop, test, manufacture and obtain the required regulatory approvals for our products, while complying with applicable regulatory and safety standards. In order to develop a commercially viable product, we must demonstrate, through extensive developmental studies that the products are safe and effective for use on humans. Our products currently under development, if and when fully developed and tested, may not perform as we expect, necessary regulatory approvals may not be obtained in a timely manner, if at all, and we may not be able to successfully and profitably produce and market such products.

17. *This Prospectus includes information relating to the pharmaceutical industry and our operations, products and therapeutic areas that is sourced from IMS, which may follow a different methodology for determining sales revenues from the manner in which sales revenues are recognized in our financial statements.*

In this Prospectus, we have included certain sales, market share and other financial information relating to the pharmaceutical industry and our operations, products and therapeutic areas that is sourced from IMS, a healthcare information and consulting service provider. Please see “**Industry Overview**” and “**Our Business**” on pages 92 and 105, respectively. IMS computes revenues for the sales of pharmaceutical products based on their research on sales of products in certain pharmaceutical markets and in relation to specific geographic areas. The methodology for computation of revenues by IMS, including for our products, is different from the methodology we adopt for the recognition of revenue from the sales of our products under Indian GAAP, reflected in the Restated Financial Statements included in this Prospectus. Accordingly, the sales, market share and other financial data sourced to IMS may not accurately reflect our revenues, results of operations and financial results for the products/therapeutic areas covered.

18. *We require a number of approvals, licenses, registrations and permits to operate our business and the failure to obtain or renew these licenses in a timely manner, or at all, may have an adverse effect on our business, results of operations and financial condition.*

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits. We cannot assure you that we will be able to obtain approvals in respect of applications made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations.

19. *We may not be able to implement our business strategies or sustain and manage our growth, which may adversely affect our business, results of operations and financial condition.*

In recent years, we have experienced significant growth. Our net revenue from operations grew at a CAGR of 16.54% between Fiscals 2013 and 2017. Our growth strategy includes expanding our existing business and product portfolio in specific therapeutic areas. We cannot assure you that our growth strategies will be successful or that we will be able to continue to expand further or diversify our product portfolio.

Our ability to sustain and manage our growth depends significantly upon our ability to manage key issues such as selecting, recruiting, training and retaining marketing representatives, growing the number of doctors prescribing our products and the number of prescriptions for our products, maintaining effective risk management policies, continuing to offer products which are relevant to our consumers, developing and maintaining our manufacturing facility and ensuring a high standard of product quality. Our failure to do any of the preceding could adversely affect our business, results of operations and financial condition.

20. *Compliance with, and changes in, safety, health and environmental laws and various labor, workplace and related laws and regulations including terms of approvals granted to us, may increase our compliance costs and as such adversely affect our business, prospects, results of operations and financial condition.*

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, laws in India limit the amount of hazardous and pollutant discharge that our manufacturing facility may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our Assam Facility, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. Our business is also subject to, among other things, the receipt of all required licenses, permits and authorizations including local land use permits, manufacturing permits, building and zoning permits, and environmental, health and safety permits. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products.

21. *We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.*

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although we do not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse effect on our results of operations, cash flows and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract laborers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations, cash flows and financial condition.

22. *If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.*

The Indian pharmaceutical industry is a highly competitive market with several major pharmaceutical companies present, and therefore it is challenging to improve market share and profitability. Our products face intense competition from products commercialized by our competitors in all of our therapeutic areas. We compete with local companies in India as well as multi-national corporations. If our competitors gain significant market share at our expense, particularly in the therapeutic areas in which we are focused such as cardiovascular, anti-diabetics, neurology, gastrointestinal, vitamins, minerals and nutrients, our business, results of operations and financial condition could be adversely affected. Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results.

Our business faces competition from manufacturers of patented brand products who do not require any significant regulatory approvals or face barriers to enter into the generics market for the territories where the brand is already approved. These manufacturers sell generic versions of their products to the market directly or by acquiring or forming strategic alliances with our competitors or by granting them rights to sell. We also operate in a rapidly consolidating industry. The strength of combined companies, which may have greater financial, manufacturing, marketing or other resources, could affect our competitive position in all of our business areas. Pricing pressure could also arise due to the consolidation in trade channels and the formation of large buying groups. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier of a critical raw material, which may adversely affect our business, results of operations and financial condition.

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

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

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

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

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

24. *Our inability to accurately forecast demand for our products, may have an adverse effect on our business, results of operations and financial condition.*

We project demand for our products based on rolling projections, our understanding of doctor prescriptions for our products, anticipated customer spending and distributor inventory levels. If we overestimate demand, we may purchase more raw materials and manufacture more products than required. If we underestimate demand, we may manufacture fewer quantities of products than required, which could result in the loss of business. If we understock one or more of our products, we may not be able to obtain additional units in a timely manner, which could also adversely affect our goodwill and results of operations. In addition, if our products do not achieve widespread consumer acceptance, physician prescribing patterns do not change to include our products, or our customers change their procurement preferences, we may be required to take significant inventory markdowns, or may not be able to sell the products at all, which would affect our business, results of operations and financial condition. Each of our products has a shelf life of a specified number of years and our inability to sell our products prior to their expiry may lead to losses. As such, our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition.

25. *Some of our historical corporate secretarial records relating to certain transfers of our Equity Shares are not traceable.*

The share transfer deeds executed in relation to transfer of Equity Shares between our Promoters during the period from August 2007 until August 2011 are not available in our corporate records and the delivery instruction slip for transfer of equity shares to one of our Promoters is not available. Accordingly, for information in this regard, contained in this Prospectus, we have relied on our Company's statutory register of members and register of share transfers as well as the relevant bank statements. We cannot assure you that these documents will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

26. *Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.*

Our principal types of coverage include burglary insurance and standard fire and special perils policy, which cover our Assam Facility and warehouses, money insurance policy, motor insurance policy, boiler and pressure plant insurance policy, machinery insurance policy, electronic equipment insurance policy, marine cargo policy, directors' and officers' management liability. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further details on our insurance arrangements, see "**Our Business – Insurance**" on page 122.

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

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

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

We, along with our Subsidiaries have 142 trademarks registered as on the date of this Prospectus, in relation to the brand names of our products. For details, see “**Government and Other Approvals**” on page 267. Our brand names and trademarks are significant to our business and operations. We believe that several of the brand names of our products have significant brand recognition in their respective therapeutic areas. The use of our brand names or logos by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations.

Further, we, along with our Subsidiaries have applied to register more than 200 trademarks, as of May 20, 2017, certain of which have either been objected to or opposed by certain third parties, including the applications for Olmin, Atorsave, Tendia and LN Bloc brand names, which are included in our list of ‘top ten’ mother brand groups, in terms of revenues in the IPM for Fiscal 2017 (Source: IMS TSA MAT, March 2017). In addition, certain of our trademarks acquired from Aprica Pharma, including in relation to the Apriglim and Atorica brand names, have also been objected to by certain third parties. In the event the Registrar of Trademarks rejects our applications for registration of these or other trademarks, our business, results of operation and financial condition would be adversely affected.

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

29. If we inadvertently infringe on the intellectual property rights of others, our business and results of operations may be adversely affected.

We operate in an industry characterized by extensive patent litigation. While we primarily manufacture and commercialize products that utilize pharmaceuticals that are generic in nature, i.e., pharmaceuticals that are not protected by patents in India, we may inadvertently infringe on patents of others in the manufacture of our products. Patent litigation can result in significant damages being awarded and injunctions that could prevent the manufacture and sale of certain products or require us to pay significant royalties in order to continue to manufacture or sell such products. While it is not possible to predict the outcome of patent litigation, we believe any adverse result of such litigation could include an injunction preventing us from selling our products or payment of significant damages or royalty, which would affect our ability to sell current or future products and divert our management’s attention. The occurrence of any of these risks could adversely affect our business, financial condition and results of operations.

Further, our Company is also involved in four proceedings which have been initiated against us alleging infringement of trademarks and passing off, including in relation to our Olmin and Alerfix brand names. In the event we are subject to an unfavorable ruling with respect to such litigation, we would incur significant liability, as well as require us to cease using the affected trademarks. In the ordinary course of business, our Company has and may continue to receive notices from third parties alleging trademark infringement which may result in the initiation of legal proceedings before the courts. In the event we receive an unfavourable order with respect to any of our brands, we may be required to discontinue the use of such brand names which may affect our business and results of operations. For further details please see “**Outstanding Litigation and Material Developments**” on page 260.

30. Changes in technology may render our current products or technologies obsolete or require us to make substantial capital investments.

Our industry is continually changing due to technological advances and scientific discoveries. These changes result in the frequent introduction of new products and significant price competition. If our pharmaceutical products and technologies become obsolete due to the discovery of new drugs or other factors, our business and results of operations could be adversely affected. Although we strive to maintain and upgrade our technologies, facilities and machinery consistent with current national and international standards, the technologies, facilities and machinery we currently use may become obsolete. The cost of implementing new technologies and upgrading our manufacturing facility could be significant, which could adversely affect our business, results of operations and financial condition. Any failure on our part to effectively address such situations, innovate and keep up with technological advancements or to successfully introduce new products in these therapeutic areas, could adversely affect our business, results of operations, financial condition and cash flows.

31. *A significant disruption to our distribution network or any disruption of civil infrastructure, transport or logistic services, may create delays in deliveries of products distributed by us.*

We rely on various forms of transportation, such as roadways and railways to receive raw materials required for our products and to deliver our finished products to our customers. Unexpected delays in those deliveries, including due to delays in obtaining customs clearance for raw materials imported by us, or increases in transportation costs, could significantly decrease our ability to make sales and earn profits. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins. In addition, labor shortages or labor disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business.

Further, we cannot assure you that we will be able to secure sufficient transport capacity for these purposes. A significant disruption to our distribution network or any disruption of civil infrastructure could lead to a failure by us to provide products distributed by us in a timely manner, which would adversely affect our business and results of operations.

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

Our business is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. For instance, we have implemented an ERP system to handle purchase of goods, services, inventory, supply chain management, invoicing, accounting, payments, collections, reconciliation, taxation, regulatory compliance, human resources management and other business functions. We have also implemented a sales personnel management system which has the capability to record data at the headquarter level as well as in relation to each employee, including presenting analysis and historical trends. The size and complexity of our computer systems may make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. We have experienced certain minor disruptions to our information technology systems due to power supply interruptions in the past and we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons.

33. *We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain, such persons could adversely affect our business, results of operations and financial condition.*

Our performance depends largely on the efforts and abilities of our senior management, other key personnel and the performance and productivity of our operational managers. We believe that the inputs and experience of our senior management, in particular, the expertise, experience and services of our Managing Director and other Executive Directors and other Key Managerial Personnel are valuable for the development of business and operations and the strategic directions taken by our Company. For details in relation to the experience of our Key Managerial Personnel, see “*Our Management – Key Managerial Personnel*” on page 147.

We cannot assure you, however, that these individuals or any other member of our senior management team will not leave us or join a competitor. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business and our results of operations.

34. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements and capital expenditures.*

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements and our capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant, including among others, our future earnings, financial

condition, cash requirements, business prospects and any financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. For details of dividend paid by our Company in the past, see “**Dividend Policy**” on page 155.

35. *We have experienced negative cash flows in relation to our investing activities and financing activities in the last five Fiscals. Any negative cash flows in the future would adversely affect our results of operations and financial condition.*

We had a negative cash flow from investing activities of ₹1,841.10 million, ₹439.13 million, ₹921.33 million, ₹827.43 million and ₹356.69 million, on a consolidated basis, for Fiscals 2017, 2016, 2015, 2014 and 2013, respectively. Further, we had a negative cash flow from financing activities of ₹236.63 million, ₹836.98 million, ₹23.04 million, and ₹31.19 million, on a consolidated basis, for Fiscals 2017, 2016, 2014 and 2013, respectively. If we experience any negative cash flows in the future, this could adversely affect our results of operations and financial condition. For further details, see “**Financial Information – Annexure III – Summary Statement of Restated Consolidated Cash Flow**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources- Cash Flows**” on pages 199 and 247, respectively.

36. *Our Promoters will continue to retain control over our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.*

Our Promoters currently own 59.18% of our Equity Shares. Following the completion of the Offer, our Promoters will continue to hold 55.93% of our post-Offer Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association. We cannot assure you that our Promoters will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

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

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

Further, the Ahmedabad Urban Development Authority has stipulated that our Company is required to use the premises at which our Registered Office is located for the purpose of a nursing home. Although we have paid the requisite fee in order to obtain a change of use certificate, if we are deemed to be non-compliant with the terms stipulated by the Ahmedabad Urban Development Authority our Company may be required to pay a penalty.

38. *Certain of our Promoters, Directors and key managerial personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.*

Certain of our Promoters, Directors and key managerial personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Promoters and key managerial personnel may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Further, certain of our key managerial personnel may also be regarded as interested to the extent of employee stock options which may be granted to them from time to time pursuant to the Eris ESOP. We cannot assure you that our Promoters, Directors and our key management personnel, if they are also our shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see “**Capital Structure**”, “**Our Promoters, Promoter Group and Group Companies**” and “**Our Management**” on pages 68, 150 and 135, respectively.

39. *Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, adversely affect our business, financial condition, results of operations and prospects.*

As on the date of this Prospectus, 391,599 stock options have been granted to eligible employees under the Eris ESOP. Under Indian GAAP, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the intrinsic value (which will amortize over the vesting period of these stock options) based on the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price. In addition to the effect on the profit and loss account, the exercise of vested stock options will dilute the interests of Equity Shareholders (as in the case of any issuance of Equity Shares).

For more information on Eris ESOP, see "**Capital Structure – Employee Stock Option Scheme**" on page 70.

40. *Our Company will not receive any proceeds from the Offer.*

The Offer comprises of an offer for sale of up to 28,875,000 Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to Selling Shareholders and we will not receive any such proceeds.

External Risk Factors

Risks Related to India

41. *There is uncertainty on the impact of currency demonetization in India on our business.*

The Reserve Bank of India, or RBI, and the Ministry of Finance of the GoI withdrew the legal tender status of ₹500 and ₹1,000 currency notes pursuant to notification dated November 8, 2016. The short-term impact of these developments has been, among other things, a decrease in liquidity of cash in India. There is uncertainty on the long-term impact of this action. The short- and long-term effects of demonetization on the Indian economy and our business are uncertain and we cannot accurately predict its effect on our business, results of operations and financial condition.

42. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

43. Our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the effect of such transition on our Company.

India has decided to adopt the “Convergence of its existing standards with IFRS” and not the IFRS. These “IFRS based or synchronized Accounting Standards” are referred to in India as the Indian Accounting Standards (“**IND (AS)**”). The Ministry of Corporate Affairs, Government of India, has through a notification dated February 16, 2015, set out the IND (AS) and the timelines for their implementation. Pursuant to the notification, IND (AS) is mandatorily applicable to companies (except banking companies, insurance companies and non-banking financial companies) effective from (i) the accounting periods beginning on or after April 1, 2016 (with comparatives for the period ending March 31, 2016 or thereafter), for companies with net worth of ₹5,000 million or more; and (ii) the accounting periods beginning on or after April 1, 2017 (with comparatives for the period ending March 31, 2017 or thereafter) for listed or to-be-listed companies (i.e. whose equity or debt securities are listed or are in the process of being listed on any stock exchange in or outside India) with net worth less than ₹5,000 million and unlisted companies with net worth between ₹2,500 million and ₹5,000 million. These requirements would also apply to any holding, subsidiary, joint venture or associate companies of such aforementioned companies. Accordingly, our Company is required to prepare their financial statements in accordance with IND (AS) for periods beginning on or after April 1, 2017. Given that IND (AS) is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2017 may not be comparable to our historical financial statements. Further, our Restated Financial Statements have been prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI Regulations. These statements have not been drawn up in accordance with IND (AS) and they may be affected if IND (AS) were applied to them.

We cannot assure you that the adoption of IND (AS) will not affect our reported results of operations or cash flows. We have provided a reconciliation of the restated shareholders’ equity and net profit after tax on a standalone and consolidated basis for our Company, as of and for the year ended March 31, 2017, respectively, to the unaudited shareholders’ equity and net profit after tax on a standalone and consolidated basis for our Company as of and for the year ended March 31, 2017, respectively, prepared by the Company in accordance with the recognition and measurement of principles of IND AS 101 – ‘First-time Adoption of Indian Accounting Standards’. See “**Financial Information – Statement of Reconciliation between IND (AS) and Indian GAAP**” on page 227, respectively. However, we may be required to retroactively apply IND (AS) to our historical financial statements, subject to certain exemptions, which may require us to restate financial statements after March 31, 2016. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of IND (AS). Any failure to successfully adopt IND (AS) may have an adverse effect on the trading price of our Equity Shares or may lead to regulatory action and other legal consequences. Moreover, our transition to IND (AS) reporting may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of IND (AS) may adversely affect our financial condition, results of operations and cash flows.

For details on the significant differences between Indian GAAP and IND (AS), see “**Summary of Significant Differences between Indian GAAP and IND (AS)**” on page 254.

44. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

45. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

- the Companies Act 2013 contains significant changes to Indian company law, including in relation to issuance of capital, related party transactions, corporate governance, audits, shareholder class actions and restrictions on the number of layers of subsidiaries. Among other things, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports. Although in terms of such requirements, we were required to undertake such spends on corporate social responsibility initiatives during Fiscals 2015, 2016 and 2017, we have been unable to meet such requirement on account of our inability to identify suitable opportunities in keeping with the identified objectives under the Companies Act, 2013, as has been disclosed our annual reports for the Fiscals 2015 and 2016 and will be disclosed in our annual report for Fiscal 2017.
- the Government of India has issued the Income Computation and Disclosure Standards ("ICDS") that is applied in computing taxable income and payment of income taxes thereon, applicable with effect from the assessment period for Fiscal 2017. ICDS applies to all taxpayers following an accrual system of accounting for the purpose of computation of income under the heads of "profits and gains of business or profession" and "income from other sources". Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain.
- the General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- The Government of India has recently approved the adoption of a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

46. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does

not fall under any of the exceptions specified by the RBI, then the RBI's or central government's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

47. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government. However, as on the date of this Prospectus, the Central Government has not issued any such notification. Due to uncertainty in the applicability of this provision, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

48. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Risks Related to the Offer

49. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares was determined by our Company and the Investor Selling Shareholder in consultation with the BRLMs, and through the Book Building Process. This price was based on numerous factors, including the basic and diluted earnings per share, price earning ratio in relation to the offer price per equity share of the face value, comparison with listed industry peers and return on net worth as described under "**Basis for Offer Price**" on page 84 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price and investors may not be able to re-sell Equity Shares at or above the Offer Price resulting in a loss of all or part of the investment. Further, certain of the BRLMs have previously handled issues wherein the market price of the issued shares declined below the issue price of shares within 30 days of their listing and in certain cases continued to trade at a price lower than their listing price on the 180th day from listing. For details of the price information of the past issues handled by the BRLMs, see "**Other Regulatory and Statutory Disclosures – Price Information of past issues handled by the BRLMs**" on page 275. We cannot assure you that you will be able to resell your Equity Shares at or above the Offer Price.

50. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a

market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

51. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

52. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Promoters may dilute your shareholding and adversely affect the trading price of the Equity Shares.*

After the completion of the Offer, our Promoters will continue to own a majority of our outstanding Equity Shares. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “**Capital Structure**” on page 68, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

53. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

54. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.*

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic

conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

Prominent Notes:

- Initial public offering of 28,875,000 Equity Shares of face value of ₹ 1 each of our Company, for cash at a price of ₹ 603 per Equity Share aggregating to ₹ 17,411.63 million (subject to finalization of the Basis of Allotment) through an Offer for Sale by the Selling Shareholders. The Offer includes an Employee Reservation Portion of 150,000 Equity Shares aggregating to ₹ 81.45 million (comprising 0.11% of the post-Offer Equity Share capital of our Company) and a Net Offer to the public of 28,725,000 Equity Shares. The Offer and the Net Offer constitute 21% and 20.89%, respectively of the post-Offer paid up Equity Share capital of our Company.
- Our standalone net worth as on March 31, 2017 as per our Restated Standalone Financial Statements included in this Prospectus is ₹ 5,479.17 million. See "**Financial Statements**" on page 156.
- Our consolidated net worth as on March 31, 2017 as per our Restated Consolidated Financial Statements included in this Prospectus is ₹ 5,399.24 million. See "**Financial Statements**" on page 156.
- The net asset value per Equity Share as on March 31, 2017 as per our Restated Standalone Financial Statements included in this Prospectus is ₹ 39.85 and as per our Restated Consolidated Financial Statements included in this Prospectus is ₹ 39.27. See "**Financial Statements**" on page 156.
- The average cost of acquisition per Equity Share by our Promoters as on the date of this Prospectus is:

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Mr. Amit Indubhushan Bakshi	6.60
Mr. Himanshu Jayantbhai Shah	Negligible
Mr. Inderjeet Singh Negi	Negligible
Mr. Rajendrakumar Rambhai Patel	Negligible
Mr. Kaushal Kamlesh Shah	Negligible

*As certified by Khandhar Mehta & Shah, Chartered Accountants by their certificate dated February 3, 2017.

- The average cost of acquisition per Equity Share by our Selling Shareholders (other than Promoters) as on the date of this Prospectus is:

Name of the Selling Shareholder (other than Promoters)	Average cost of acquisition per Equity Share (₹)*
Botticelli	87.27
Mr. Bhikhabhai Chimanlal Shah	Negligible
Mr. Hetal Rasiklal Shah	Negligible

*As certified by Khandhar Mehta & Shah, Chartered Accountants by their certificate dated February 3, 2017.

- Other than the change in name of our Company from 'Eris Lifesciences Private Limited' to 'Eris Lifesciences Limited' on February 2, 2017 on account of conversion from a private to a public company, there has been no change of name of our Company at any time during the last three years immediately preceding the date of filing Prospectus. For details of changes in our Memorandum of Association, see "**History and Certain Corporate Matters**" on page 128.
- There has been no financing arrangement whereby our Promoter Group, our Directors, or any of their respective relatives, have financed the purchase by any other person of securities of our Company, other than in the ordinary course of the business of the financing entity, during the six months preceding the date of the Draft Red Herring Prospectus.

- Except as stated in “***Financial Statements – Restated Standalone Financial Statements – Annexure V-Note 13: Summary Statement of Restated Standalone Long-Term Loans and Advances***” on page 177, there have been no transactions between our Company and Subsidiaries during the last Fiscal, i.e. Fiscal 2017.
- Investors may contact the BRLMs that have submitted the due diligence certificate to SEBI, for any complaints pertaining to the Offer.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The Global Pharmaceuticals Industry

The table below sets out the top 20 international pharmaceuticals markets, as per IMS, as of calendar years 2010 and 2015 and projections for calendar year 2020, in local currency terms:

Rank	2010	Sales (LC\$ bn)	2015	Sales (LC\$ bn)	2020	Sales (LC\$ bn)
1	USA	319.5	USA	434.3	USA	612.3
2	Japan	78.0	China (+1)	110.7	China (+1)	153.9
3	China	56.8	Japan (-1)	89.1	Japan (-1)	91.9
4	Germany	35.9	Germany	43.4	Germany	50.8
5	France	32.8	France	32.7	Brazil (+5)	36.6
6	Italy	22.7	Italy	27.8	UK (+2)	36.1
7	Spain	18.9	UK (+1)	26.7	France (-2)	33.7
8	UK	18.9	Brazil (+2)	24.3	Italy (-2)	33.8
9	Canada	17.3	Spain (-2)	20.9	India (+4)	27.9
10	Brazil	13.5	Canada (-1)	19.1	Spain (-3)	23.7
11	South Korea	10.8	Venezuela (+3)	16.3	Canada (-2)	23.1
12	Australia	9.5	India (+1)	15.9	South Korea (-1)	15.6
13	India	8.6	South Korea (-2)	12.2	Russia (+3)	15.2
14	Venezuela	8.1	Russia (+2)	11.3	Australia (-2)	14.0
15	Mexico	7.4	Australia (-3)	11.0	Turkey (+7)	13.0
16	Russia	6.2	Mexico (-1)	8.9	Mexico (-1)	12.2
17	Poland	5.5	Argentina (+6)	6.7	Saudi Arabia (+9)	8.3
18	Netherlands	5.3	Turkey (+4)	6.6	Poland (-1)	7.8
19	Belgium	5.2	Poland (-2)	6.4	Argentina (+4)	7.3
20	Greece	5.0	Saudi Arabia (+8)	6.1	Switzerland (+1)	6.2

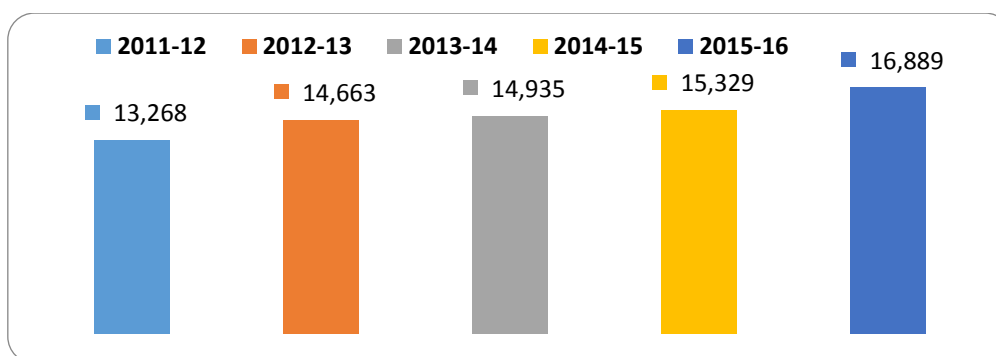
*LC\$ refers to local currency

Source : IMS Prognosis Global 2016-2020

The global pharmaceuticals market is estimated to grow at a CAGR of 5.6% between calendar years 2015 and 2020 (Source: IMS Prognosis Global 2016-2020). IMS has identified 21 ‘pharmerging’ markets, including China, India, Brazil and Russia, based on macroeconomic metrics and pharmaceuticals market forecasts. India is one of the largest contributors to the global pharmaceuticals market growth and is ranked third among the ‘pharmerging’ markets in terms of pharmaceutical sales. According to IMS, pharmaceutical sales in ‘pharmerging’ markets are expected to grow at a CAGR of approximately 7.6% between calendar years 2015 and 2020, which is higher than major developed countries and rest of the world, which are forecasted to grow at a CAGR of approximately 5.5% and 2.6%, respectively, between the same periods. ‘Pharmerging’ markets are expected to increase their share in the global pharmaceuticals market sales growth from 25.1% in calendar year 2016 to 30.5% in calendar year 2020 (Source: IMS Prognosis Global 2016-2020).

The Indian Pharmaceuticals Markets

India is one of the largest pharmaceuticals markets in the world. Between Fiscals 2013 and 2017, the IPM revenues grew at a CAGR of 11.8% to reach ₹1,143.26 billion (Source: IMS TSA MAT, March 2017; IMS TSA includes sales from authorized pharmaceuticals stockists to retailers and sales from sub-stockists, doctors and hospitals, but does not include the sales to institutions and tenders), driven by favorable demographic and macro-economic trends, the rising prevalence of chronic diseases, increasing insurance spending and the under-penetration of medical infrastructure and talent. In addition to a large domestic formulations market, India has also emerged as a hub for exporting finished formulations, APIs and excipients to several countries globally. The table below illustrates the growth in India’s pharmaceutical exports between Fiscals 2012 and 2016:



Source: Pharmexil Annual Reports, 2014-15 and 2015-16

Overview of the Indian Pharmaceuticals Market

The IPM can be classified into acute and chronic categories. The acute category of the IPM comprises therapies intended for diseases of short duration and recent onset, including anti-infectives, gastro intestinal medication, vitamins and gynecology. The chronic category includes therapies intended for non-communicable diseases that are prolonged in duration. Some examples of chronic diseases include heart disease, diabetes, cancer and arthritis. The IPM is the 13th largest market globally in terms of value and third largest market globally in terms of volume (Source: Ministry of External Affairs, Government of India http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/347/1).

Key Characteristics of the IPM

The IPM is characterized by the following key factors:

- **Large out of pocket spend and low per capita health expenditure:** In 2014 India ranked 64th globally out of 218 countries, in terms of out of pocket expenditure, as a percentage of private expenditure on health. In 2014, per capita expenditure on health in India was US\$ 75, as against US\$ 420 in China, US\$ 99 in Indonesia, and US\$ 127 in Sri Lanka. (Source: World Bank, <http://wdi.worldbank.org/table/2.15>)
- **Branded generics:** Branded generics (off-patent drugs with a trade name) dominate the IPM, contributing to approximately 98% of retail sales in Fiscal 2017 (Source: IMS TSA MAT, March 2017). In Fiscal 2017, the IPM had 34,895 brands across all therapeutic areas and the top 300 brands accounted for 30.3% of the sales in the IPM. The top 100 brands accounted for 30.8% of the overall sales in the chronic category and for 20.7% of the overall sales in the acute category for Fiscal 2017. (Source: IMS TSA MAT, March 2017).
- **Prescriptions led:** A large portion of the IPM is prescription led, with the prescriber base comprising Registered Medical Practitioners. Hospitals and OTC account for a smaller portion of the IPM. A growth in the number of Registered Medical Practitioners combined with other drivers including a rise in the patient population, increasing affordability, and improving medical infrastructure and diagnostics has led to a growth in the number of prescriptions. (Source: IMS). The table below illustrates prescription share and value per prescription across doctor categories, in the IPM:

Specialty	IPM Prescription Share	value per prescription in ₹
		IPM Value per Prescription
Diabetologists / Endocrinologists	1.1%	1,350.0
Cardiologists	2.4%	990.0
Gastroenterologists	1.1%	860.0
Neurologists/ Neurosurgeons	1.6%	820.0
Nephrologists / Urologists	1.0%	630.0
Others*	38.3%	280.0
Consulting Physicians	8.3%	560.0
Gynaecologists	7.7%	350.0

General Physicians (MBBS)	12.0%	200.0
General Physicians (Non MBBS)	26.5%	120.0
	100.0%	300.0

*Others includes: dentists, pediatricians, general surgeons, chest specialists, ENT specialists, ophthalmologists, oncologists, psychiatrists, orthopedics and dermatologists.

Source: IMS Analysis, IMS TSA and Medical Audit MAT September 2016

- **Rising prevalence of chronic diseases:** Rising demand for drugs that treat chronic illness, driven by a growing incidence of lifestyle disorders has led to an increase in the share of the chronic category in the IPM from 31.4% in Fiscal 2013 to 34.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017).
- **Metro cities and class 1 towns:** According to IMS, metro cities and class 1 towns in India accounted for 66.0% of the IPM revenues in Fiscal 2017. The contribution of metro cities and class 1 towns to revenues for Fiscal 2017 from the chronic category of the IPM were higher, at 72.0%, as compared to acute category, at 62.9%. Further, the chronic category has grown at a faster pace in metro cities and class 1 towns at 13.1% and 18.2%, respectively between Fiscals 2013 and 2017 while growth in the acute category in metro cities and class 1 towns has been 10.0% and 11.3%, respectively, for the same period. (Source: IMS TSA and Town Class MAT, March 2017).

The table below illustrates the revenue contribution of metro cities and class 1 towns to the IPM, broken down by certain key therapeutic areas:

Therapeutic Area	Revenues in ₹ million	
	IPM Fiscal 2017	IPM Revenue % from metro cities and class 1 towns Fiscal 2017
Cardiovascular	134,031.7	70.1%
Anti-diabetics	100,586.26	73.1%
Vitamins	89,339.7	64.7%
Gastroenterology	122,262.2	61.0%

Source: IMS analysis; IMS TSA and Town Class MAT, March 2017

- **Domestic companies dominate market share:** Domestic companies accounted for a majority of the revenues in the IPM, with a share of 78.4% of revenues, for Fiscal 2017, compared to 75.6%, for Fiscal 2013 (Source: IMS TSA MAT, March 2017). Multi-national corporations had a lower share of the IPM, partly due to branded generics dominating the IPM accounting for approximately 98% of retail sales in Fiscal 2017 (Source: IMS TSA MAT, March 2017).
- **Fragmented supplier base:** The IPM is characterized by fragmentation in the supplier base, which consisted of 514 companies, in Fiscal 2017. However, the top 10 companies and the top 25 companies accounted for 42.9% and 70.5% of the IPM, respectively for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

Growth drivers for the IPM

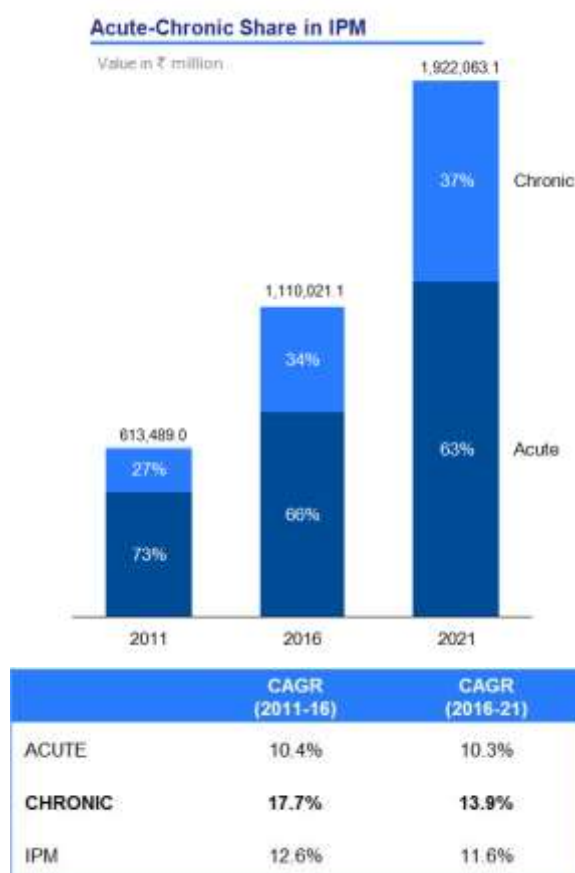
The IPM is expected to grow at a CAGR of 11.6% between calendar years 2016 and 2021 (Source: IMS Prognosis, 2016). The table below illustrates the growth drivers in the IPM, across contribution of volume growth, price growth and new introductions:

IPM	Revenue Growth (year on year)	Volume Growth (year on year)	Price Growth (year on year)	New Introductions Growth (year on year)
Fiscal 2015	13.4%	5.6%	1.7%	6.1%
Fiscal 2016	14.4%	5.8%	3.6%	5.0%
Fiscal 2017	9.1%	2.6%	1.6%	5.0%

(Source: IMS TSA MAT, March 2017)

The underlying growth in the IPM is expected to be a function of several factors, including:

- **Favorable demographics and macro-economic developments:** Overall healthcare spending in India is expected to rise due to a high real GDP growth rate, improving GDP per capita, rising affordability, improving healthcare infrastructure the increasing awareness of diseases and therapies, and a greater penetration of diagnostics. India also has a large population of an estimated 1.3 billion people, as of July 2016 with an estimated 77.1 million people over the age of 65. (Source: CIA World Fact Book (India)). Increasing life expectancy levels imply a larger addressable market for the IPM.
- **Rising prevalence of chronic diseases:** An increase in lifestyle disorders has increased the prevalence of chronic diseases, and consequently, has raised the share of the chronic category in the IPM from 31.4% in Fiscal 2013 to 34.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017). The chronic category is expected to grow at a CAGR of 13.9% between calendar years 2016 and 2020. (Source: IMS Prognosis, 2016). The tables below illustrate the relative share of the acute and chronic categories in the IPM together with estimated growth rates:



Source: IMS TSA MAT, March 2011 and March 2016; IMS Prognosis, 2016

- **Medical talent including specialists and super specialists:** To ensure availability of specialist doctors at the secondary and tertiary levels, the Indian Finance Minister in his union budget speech for Fiscal 2018 has announced the creation of additional 5,000 post-graduate seats every year. The number of post graduate medical seats presently available in India is approximately 27,000 (Source: Medical Council of India).

Progression of super-speciality courses in India:

	2011 ¹	2014 ²	2017 ³
Cardiology	236	269	315
Endocrinology	42	55	78
Neurology	139	172	219
Gastroenterology	85	102	118
Nephrology	72	95	120

- (1) *National Health Profile 2011, Central Bureau of Health Intelligence*
- (2) *National Health Profile 2015, Central Bureau of Health Intelligence*
- (3) *Medical Council of India website as on February 2, 2017*

Since India continues to remain a prescriptions led market, registered medical practitioners play an important role. Most retail drugs are sold through prescriptions from specialists and super specialists, who accounted for 61.6% of all prescriptions in IPM for Fiscal 2017 (*Source: IMS Medical Audit MAT, March 2017*). A growing contribution of specialty therapies is expected to further enhance the importance of specialists and super specialists in the pharmaceuticals value chain.

SUMMARY OF BUSINESS

The following information should be read together with the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled “**Risk Factors**”, “**Our Business**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and “**Financial Statements**” on pages 16, 105, 234 and 156 respectively.

Overview

We develop, manufacture and commercialize branded pharmaceutical products in select therapeutic areas within the chronic and acute categories of the IPM, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; and anti-infectives. Our focus has been on developing products in the chronic and acute category which are linked to lifestyle related disorders. The chronic category of the IPM contributed 65.6% of our revenues in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were ranked 20th out of 377 domestic and multinational companies present in the chronic category of the IPM, in terms of revenues for Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were the fastest growing company, in the chronic category, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March, 2017). We generated 34.4% of our revenues from the acute category of the IPM in Fiscal 2017. Our revenues from the acute category grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017).

Our product portfolio comprised of 80 mother brand groups as of March 31, 2017 (Source: IMS TSA MAT, March 2017). Our product portfolio is primarily focused on therapeutic areas which require the intervention of specialists and super specialists such as cardiologists, diabetologists, endocrinologists and gastroenterologists. Sales in metro cities and class 1 towns, together accounted for 76.8% of our revenues in Fiscal 2017 (Source: IMS Town Class MAT, March 2017), as a majority of specialists and super specialists are based in these metro cities and class 1 towns (Source: IMS Town Class, March 2017). Between Fiscals 2013 and 2017, there has been an increase in the number of doctors prescribing our products from 37,842 (constituting 13.8% of doctors in metro cities and class 1 towns in India) to 50,282 (constituting 15.7% of doctors in metro cities and class 1 towns in India) with a prescription share of 1.3% for Fiscal 2017 (Source: IMS Medical Audit and Town Class MAT, March 2017).

Our products in the chronic category of the IPM cater primarily to the following therapeutic areas:

- **cardiovascular:** as of March 31, 2017, we had a portfolio of 63 brands in the cardiovascular therapeutic area, including 44 brands in the hypertension subgroup; 27 of our cardiovascular brands were ranked in the top 10 in their respective subgroup of the IPM in terms of revenues, for Fiscal 2017; we had revenues of ₹2,738.3 million and were ranked 18th in terms of revenues from the cardiovascular therapeutic area, between Fiscals 2013 and 2017 our revenues grew at a CAGR of 25.8%; and we were ranked third in terms of growth during this period, among the top 25 companies in the cardiovascular therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017);
- **anti-diabetics:** as of March 31, 2017, we have a portfolio of 26 brands in the anti-diabetics therapeutic area, of which seven brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; we had revenues of ₹2,422.5 million and were ranked 10th in terms of revenues from the anti-diabetics therapeutic area, in Fiscal 2017; between Fiscals 2013 and 2017 our revenues grew at a CAGR of 34.5%; and we were ranked third in terms of growth during this period, among the top 25 companies in the anti-diabetics therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017); and
- **others:** our revenues from other therapeutic areas in the chronic category, namely neurology, chronic respiratory and chronic pain (analgesics), were ₹330.2 million for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

We have grown our product portfolio in the acute category of the IPM, catering primarily to the following therapeutic areas:

- **vitamins:** we have grown to become the seventh largest company in cholecalciferol oral solids (including combinations) subgroup, in terms of revenues with a market share of 4.6% in Fiscal 2017; and we have the largest brand in Vitamin D and mecobalamin subgroup, in terms of revenues, with a market share of 27.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017); our revenues from the vitamins therapeutic area were

₹1,146.9 million for Fiscal 2017, with growth at a CAGR of 7.4%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);

- **gastroenterology:** as of March 31, 2017, we had a portfolio of 46 brands in the gastro-intestinal therapeutic area, of which five brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; our revenues from the gastroenterology therapeutic area were ₹776.8 million for Fiscal 2017, with growth at a CAGR of 8.2%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **acute pain-analgesics:** our revenues from the acute pain-analgesics therapeutic area were ₹274.8 million for Fiscal 2017; (Source : IMS TSA MAT, March 2017);
- **anti-infectives:** our revenues from the anti-infectives therapeutic area were ₹219.5 million for Fiscal 2017, with a CAGR of 5.7% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **gynaecology:** we have developed our portfolio of products in the gynaecology therapeutic area with a focus on products catering to women's health; our revenues from the gynaecology therapeutic area were ₹224.7 million for Fiscal 2017, with a CAGR of 36.8% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017); and
- **others:** our revenues from other therapeutic areas in the acute category, namely acute respiratory, hepatoprotectives, hormones, hematology, dermatology, anti-obesity products and products for injury healing, were ₹241.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

Effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma for an aggregate consideration of ₹328.70 million, in order to grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas. Amay Pharma's revenues, from the brands acquired by us were ₹192.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017). Further, on November 23, 2016, we entered into a share purchase agreement to acquire 61.48% equity shares of Kinedex from its existing shareholders, and on December 12, 2016, we entered into a share purchase and shareholders' agreement to acquire an additional 14.00% equity shares of Kinedex, taking our aggregate shareholding in Kinedex to 75.48%, for an aggregate consideration of ₹771.79 million. Kinedex primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area, within the acute pain-analgesics therapeutic area. Kinedex's revenues were ₹830.2 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

We own and operate a manufacturing facility in Guwahati, Assam. We also outsource the manufacturing of certain of our products, and currently use approximately 20 third party manufacturers. We have developed capabilities in the commercialization of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and regulatory aspects. We have strong sales, marketing and distribution capabilities in India with seven sales divisions focused on developing and growing our engagement with specialists and super specialists. Our sales divisions are also responsible for our commercialization and marketing strategy. Our sales team comprised of 1,501 marketing representatives, as of March 31, 2017.

Our Promoters have an average experience of over a decade in the pharmaceuticals industry. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations, and has substantial experience in pharmaceutical sales and marketing. We believe that the knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. Our Company received the 'Competitive Strategy Leadership' award for 2013, from Frost & Sullivan and our Promoter, Chairman and Managing Director, Mr. Amit Indubhushan Bakshi, has been recognized as the 'Entrepreneur of the Year, 2013' by Ernst & Young.

For Fiscals 2017, 2016 and 2015, our net revenue from operations was ₹7,249.57 million, ₹5,970.21 million and ₹5,455.58 million, respectively. Our net revenue from operations grew at a CAGR of 16.54% between Fiscals 2013 and 2017. For Fiscals 2017, 2016 and 2015, our restated profit after tax attributable to shareholders was ₹2,420.79 million, ₹1,335.69 million and ₹892.34 million, respectively. Our restated profit after tax attributable to shareholders has grown at a CAGR of 42.81% between Fiscals 2013 and 2017, demonstrating our focus on sustainable profit growth over such period.

Our Strengths

Focus on branded prescription based pharmaceutical products catering to lifestyle related disorders

Our focus has been on developing, manufacturing and marketing products, which are linked to lifestyle related disorders, which are chronic in nature, and to a target population, which primarily consults specialists and super-specialists. We develop, manufacture and commercialize branded prescription based pharmaceuticals products in select chronic and acute therapeutic areas, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; anti-infectives; and gynaecology. In Fiscal 2017, we generated 65.6% of our revenues from the chronic category of the IPM (Source: IMS TSA MAT, March 2017). The chronic category accounted for 34.3% of the IPM in Fiscal 2017 compared to 31.4% of the IPM in Fiscal 2013, representing growth at a CAGR of 14.3% (Source: IMS TSA MAT, March 2017).

In Fiscal 2017, we generated 34.4% of our revenues from the acute category of the IPM. (Source: IMS TSA MAT, March 2017) Our revenues from the acute category of the IPM grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017). We have identified, developed and are marketing products in the acute category which are connected to lifestyle disorders, and are required to be prescribed over an extended period, or are complementary to our existing chronic portfolio in terms of doctors prescribing our products. For further details on our ranking in therapeutic areas within the chronic and acute categories of the IPM, see “**Industry Overview – Competitive Landscape**” on page 98.

One of the fastest growing companies in certain high growth therapeutic areas with a portfolio of complementary products

Our growth in revenues, at a CAGR of 21.7%, between Fiscals 2013 and 2017 has outperformed overall IPM growth, at a CAGR of 11.8%, during the same period. In the chronic category of the IPM, we were the fastest growing company, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017. We were ranked 20th out of the 377 domestic and multinational companies in the chronic category of the IPM, in terms of revenues, for Fiscal 2017, compared to 26th in Fiscal 2013, and our market share by revenue in the chronic category increased from 0.9% in Fiscal 2013 to 1.4% in Fiscal 2017. (Source: IMS TSA MAT, March 2017).

In the chronic category, products in the cardiovascular and anti-diabetics therapeutic areas accounted for 61.6% of our revenues in Fiscal 2017. (Source: IMS TSA MAT, March 2017) In the cardiovascular therapeutic area of the IPM, we were ranked 18th in terms of revenues in Fiscal 2017, and third in terms of revenue growth among the top 25 companies between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017). To supplement our cardiovascular products, we also introduced chlortalidone in combination with contemporary ARBs, telmisartan and olmesartan, in 2012. Further, in the anti-diabetics therapeutic area of the IPM, we were ranked 10th in terms of revenues in Fiscal 2017, and third in terms of revenue growth between Fiscals 2013 and 2017 among the top 25 companies (Source: IMS TSA MAT, March 2017). Further, effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma in order to further grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas.

In the acute category, products in the vitamins and gastroenterology therapeutic areas accounted for 23.0% of our revenues in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We have extended our cardiovascular and anti-diabetics product portfolio by selecting therapeutic areas which are lifestyle related disorders, are underpenetrated, or have the potential to drive cross linkages with our existing portfolio and coverage at the doctor level. For example, considering the therapeutic relevance of cholecalciferol (Vitamin D) in lipid metabolism, diabetes and hypertension, we launched our Vitamin D brand, Tayo 60K, in 2011. Further, we acquired 75.48% equity interest (61.48% in November 2016 and an additional 14.00% in December 2016) in Kinedex, which primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area in the acute category of the IPM.

Portfolio of high volume and leading brands

A significant proportion of our revenues is derived from mother brand groups, which are among top 10 in their respective subgroups. The table below provides an overview of our revenues, market share and prescription ranking of our top 10 mother brand groups:

Revenue in ₹million; CAGR between Fiscals 2013 and 2017		
Revenue	Market share	Prescription rank

Mother Brand Group	Therapeutic Area	Fiscal 2013	Fiscal 2017	CAGR (%)	Fiscal 2013	Fiscal 2017	Fiscal 2013	Fiscal 2017
Glimisave	Anti-diabetics	616.2	1,708.8	29.0	3.9%	5.5%	2	3
Eritel	Cardiovascular	374.4	1,022.2	28.5	4.2%	5.3%	4	4
Rabonik	Gastroenterology	381.3	541.8	9.2	5.3%	4.4%	6	10
Remylin	Vitamins	358.8	529.7	10.2	7.1%	6.3%	3	8
Tayo	Vitamins	391.2	526.7	7.7	8.4%	4.9%	2	5
Olmin	Cardiovascular	142.0	487.1	36.1	4.0%	6.8%	3	3
Atorsave	Cardiovascular	286.1	377.3	7.2	3.0%	3.6%	3	6
LN Bloc	Cardiovascular	6.9	359.9	168.4	2.0%	10.8%	5	2
Tendia	Anti-diabetics	0.0	287.8	NA	NA	7.2%	NA	3
Crevast	Cardiovascular	109.4	229.6	20.4	2.8%	2.5%	6	6
Top 10 Mother Brand Group Total		2,666.3	6,070.7	22.8%				

Source: IMS TSA and Medical Audit MAT, March 2017

In Fiscal 2017, we derived a higher proportion of our revenues from our top 10 and top 25 mother brand groups, as compared to the average of the top 25 players in the IPM, as set out in the table below:

For Fiscal 2017

	Top 10 Mother Brand Groups Revenue Contribution	Top 25 Mother Brand Groups Revenue Contribution
Our Company	72.5%	92.2%
Average of Top 25 Companies in IPM	48.0%	69.2%

Source: IMS TSA MAT, March 2017

Further, we derived almost all of our revenues from products in the growth and mature phases of the lifecycle of the representative pharmaceutical molecules, as classified by SMSRC:

Lifecycle of Pharmaceutical Molecules	Our Company	IPM
Growth*	73.0%	30.7%
Mature*	25.1%	39.4%
Decline*	1.6%	28.7%

*Growth, mature and decline phases refer to rate of growth in prescriptions of pharmaceutical molecules (all molecules taken together) at a CAGR of 8%, minus 1% and minus 5%, respectively, for the relevant period.

Source: SMSRC, based on data for MAT ending February 28, 2017.

We believe that a greater proportion of our products being in the growth lifecycle of the representative pharmaceutical molecules, as compared to the IPM, gives us a significant advantage as we seek to grow the prescriptions for our products.

Focus on metro cities and class 1 towns in India which have higher incidence of lifestyle disorders and concentration of specialists and super specialists

Our product portfolio primarily focuses on therapeutic areas which have a higher incidence in metro cities and class 1 towns, and which rely on prescriptions by specialists and super specialists, who are concentrated in these regions. According to the Report of the Working Group on Disease Burden for the 12th Five Year Plan, there is a greater prevalence of lifestyle related disorders in urban and semi urban areas compared to rural areas. The table below illustrates the contribution of metro cities and class 1 towns in Fiscal 2017 to the IPM, broken down by category:

CAGR between Fiscals 2013 and 2017

Category	IPM Revenue % from metro cities and class 1 towns Fiscal 2017	IPM CAGR Revenue from Metros	IPM CAGR Revenue from Class 1 Towns
Chronic	72.0%	13.1%	18.2%
Acute	62.9%	10.0%	11.3%
IPM Total	66.0%	11.2%	13.4%

Source: IMS Town Class MAT, March 2017

We focus on sale of our products in metro cities and class 1 towns, with 76.8% of our revenues coming from these areas for Fiscal 2017. (Source: IMS analysis, Town Class MAT, March 2017) The table below demonstrates the revenue contribution of metro cities and class 1 towns for our key therapeutic areas:

Revenues/ MAT in ₹million

Therapeutic Area	Our Company Revenues	Our Company Revenue % from metro cities and class 1 towns	IPM	IPM Revenue % from metro cities and class 1 towns
	Fiscal 2017		Fiscal 2017	
Cardiovascular	2,738.3	74.8%	134,031.7	70.1%
Anti-diabetics	2,422.5	75.0%	100,586.2	73.1%
Vitamins	1,146.9	81.7%	89,339.7	64.7%
Gastroenterology	776.9	78.8%	122,262.2	61.0%

Source: IMS TSA and Town Class MAT, March 2017.

Further, as of September 30, 2016, approximately 87% of diabetologists/ endocrinologists, 89% of cardiologists and 89% of gastroenterologists, were located in metro cities and class 1 towns (among the top 780 cities and towns in India). (Source: IMS Analysis, MAT September 2016). Cardiologists, diabetologists/ endocrinologists and consulting physicians together comprised of only 11.4% of the total doctor population in India, as of March 31, 2017, however they contributed to 52.2% of the prescriptions for anti-diabetics and cardiovascular therapeutic areas. Further, super specialists, specialists and general physicians contributed to 23.3%, 38.3% and 38.4% of the total prescriptions for the IPM, respectively, as compared to 53.5%, 42.6% and 3.9% of total prescriptions for our mother brand groups, respectively (Source: IMS Medical Audit and TSA MAT March 2017).

Multi-faceted product selection and engagement model leading to growth in prescription for our products

Our multi-faceted product selection and engagement model comprises of identifying and addressing diagnostic gaps, therapeutic gaps and patient compliance gaps.

- **Diagnostics gap:** We believe that a combination of diagnostics with commercialization and marketing enhances the quality of diagnosis and prognosis. We have undertaken certain initiatives to support doctors, which we believe have helped increase the prescription rates of our products. For example:
 - i. **Hypertension:** ABPM is a key tool in diagnosing and monitoring hypertension, which records the overall profile of a patient's blood pressure over the course of a day; we launched an "ABPM on call" initiative which included providing insights and accessibility of ABPM to doctors and patients; through ABPM on call, we had supported approximately 16,300 patients and 2,800 doctors, as of March 31, 2017; and
 - ii. **Diabetes:** we believe CGM is important for diabetes treatment decisions; we have launched an initiative 'Tendia CGM On Call', which includes actively engaging with doctors with requirements for CGM for their patients; our trained executives install CGM devices on the patients which monitor glucose levels for three to six days; post monitoring, we collect data for the relevant doctor.
- **Therapeutic gap:** We seek to identify and address therapeutic gaps in the IPM, where we believe that the clinical benefits of certain products and therapies are not tapped up to their potential. For example:
 - i. **Vitamin D:** tapping the therapeutic relevance of cholecalciferol (Vitamin D) in lipid metabolism, diabetes and hypertension, we launched our Vitamin D brand, Tayo 60K, in chewable form in 2011; and
 - ii. **Hypertension:** we focused on the concept of managing hypertension with an aspect of preventing vital organ damage along with blood pressure reduction, and introduced Cilnidipine, a newer generation anti hypertensive molecule that reduces adverse effects on the kidneys, in 2012.
- **Patient compliance gap:** Patient compliance forms an important part of our marketing initiatives. Our initiatives include technology driven delivery systems, including:

- i. *Metformin*: in order to address patient compliance gaps, we have introduced a smaller form of our Glimisave M brand tablets; and
- ii. *Rabeprazole*: we launched our ‘MacRabonik’ brand in 2014, which consists of a delayed dual release of rabeprazole, in order to address compliance gaps with dual dosage requirements of proton pump inhibitors.

Between Fiscals 2013 and 2017, there has been an increase in the number of doctors prescribing our products from 37, 842 (constituting 13.8% of total doctors in metro cities and class 1 towns in India) as of March 31, 2013 to 50,282 (constituting 15.7% of total doctors in metro cities and class 1 towns in India) with a prescription share of 1.3% as of March 31, 2017 (*Source: IMS Medical Audit MAT, March 2017*). We believe our product selection and doctor-patient engagement model has helped us achieve significant growth in our product prescriptions, as demonstrated by the prescription rankings of our top 10 mother brand groups between Fiscals 2013 and 2017. For details, see “**Industry Overview – Overview of the Indian Pharmaceuticals Market – Key Characteristics of the IPM**” on page 93.

Strong sales, marketing and distribution capabilities

We believe we have strong sales, marketing and distribution capabilities. Since our Company’s incorporation in 2007, we have created seven sales divisions, aligned with our key therapeutic areas and have focused on developing and growing our engagement with specialists and super specialists. These sales divisions are responsible for developing brand specific marketing strategies and engaging with doctors on a regular basis. Our medical representatives cover doctors across India, with primary focus in metro cities and class 1 towns. We also use a sales force management system, which captures data at the headquarters and employee levels, to make our sales staff more productive.

Our marketing team utilizes a variety of marketing techniques and programs to promote our products, including promotional materials, speaker programs, industry publications, advertising and other media. The integration of our information technology systems with our sales and distribution infrastructure enables us to standardize our processes, reduce cost, enhance productivity, improve workflow and communications and improve our risk control mechanisms.

Our Strategy

Consolidate our position in therapeutic areas in which we have significant presence

We intend to continue to grow the scale of our products and brands in our existing therapeutic areas through a mix of initiatives which include:

- targeting new categories within our existing therapeutic areas, for example, strengthening our position in the anti-diabetes therapeutic area by launching new products in the insulin and ‘glucagon-like peptide-1’(GLP1) categories;
- continuing to expand our network of KOLs in existing therapeutic areas and increase our coverage of specialists to drive growth in prescriptions;
- continuing to execute on our doctor-patient engagement model by leveraging diagnostics and technology to aid better outcomes and enhance patient compliance;
- enhancing our product lifecycle management by identifying clinical benefits and commercializing new extensions or combinations; and
- enhancing the productivity and efficiency of our sales and marketing personnel through training, technology and exploiting synergies between divisions.

Target and enhance our presence in large and high-growth therapeutic areas

In addition to consolidating presence in our existing brands and therapeutic areas, we also intend to focus our efforts on pursuing opportunities in therapeutic areas where we believe we can grow our presence, such as, chronic neurological pain, dermatology and gynaecology.

Our strategy for expansion in existing and new therapeutic areas includes extending our focus to target lifestyle disorders and the chronic category (to target products that have to be prescribed over an extended period of time as opposed to one time incidence related medication), identifying gaps in existing interventions, analyzing patient

compliance, and working with KOLs, doctors and patients through active engagement to develop, manufacture and market new indications which fulfill an unmet need or are clinically differentiated. For example, in IPM:

- **Neurology:** neurology is the ninth largest therapeutic area with revenues of ₹68,841.3 million for Fiscal 2017, growing at CAGR of 12.2% between Fiscals 2013 and 2017; for Fiscal 2017, our revenues from the neurology therapeutic area were ₹167.5 million, with growth at a CAGR of 11.5% between Fiscals 2013 and 2017; (*Source: IMS TSA MAT, March 2017*); we intend to further grow our presence in this therapeutic area, with a focus on the management of chronic neuropathic pain;
- **Dermatology:** dermatology is the eighth largest therapeutic area, with revenues of ₹79,930.3 million for Fiscal 2017 and has been growing at a CAGR of 18.2% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*); we intend to launch products with a focus on the cosmeceuticals subgroup within the dermatology therapeutic area;
- **Gynaecology:** gynecology therapeutic area has revenues of ₹55,707.6 million for Fiscal 2017, growing at a CAGR of 9.9% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*); we have identified female infertility and endocrine disorders as opportunities for expansion within the gynaecology therapeutic area; and
- **Osteoarthritis and musculoskeletal:** Osteoarthritis and musculoskeletal therapeutic areas had combined revenues of ₹10,415.5 million for Fiscal 2017, collectively growing at a CAGR of 10.7% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*); in 2016, we acquired 75.48% of the outstanding equity shares of Kinedex, which primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area and intend to grow our presence in this therapeutic area.

We also intend to expand our capabilities in products with niche capabilities such as controlled release, modified release and injectable products.

Explore in-licensing and co-development opportunities to leverage our sales, marketing and distribution and manufacturing infrastructure

We intend to leverage our existing sales, marketing and distribution infrastructure to explore licensing opportunities. We believe that our therapeutic focus and alignment of divisions and sales teams along therapeutic areas positions us as a partner of choice for pharmaceutical companies looking to utilize our distribution channel for marketing their products in India. We intend to explore in-licensing and co-development opportunities. For instance, in December 2016, we have entered into a distribution agreement with India Medtronic Private Limited for the distribution, marketing and promotion of the 'i-Port Advance' injection port which requires less injections than standard insulin delivery methods.

Target future patent expiries in India

We intend to utilize our research and development efforts to target select products which are currently under patent protection. Our strategy will be to launch branded prescription generics of these products on the expiry of the relevant patent in India particularly within the therapeutic areas in which we have a significant presence. Patents in relation to six products (sitagliptin, vildagliptin, linagliptin, insulin aspart protamine crystalline recombinant, ticagrelor and liraglutide recombinant) in the cardiovascular and anti-diabetics therapeutic areas, currently under patent in India, are expected to expire by Fiscal 2024, and their combined market size in Fiscal 2017 was ₹22,623.9 million (*Source: IMS TSA MAT, March 2017*). We believe that our strategy of engaging with specialist doctors, and our leadership position in these therapeutic areas allows us to be well positioned to market these cardiovascular and anti-diabetics products.

Enhance our product line and expand our capabilities through strategic acquisitions

In addition to organic growth, we also intend to continue to explore asset and brand acquisitions and joint ventures. For instance, effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma in the cardiovascular and anti-diabetics therapeutic areas. Further we acquired 75.48% of the outstanding equity shares of Kinedex, a company focusing on products catering to mobility related disorders in the musculoskeletal therapeutic area, by way of two transactions, in November 2016 and December 2016, respectively. We have also entered into a tie-up agreement dated May 1, 2017 to exclusively market certain formulations in the acute pain-analgesics therapeutic area, manufactured by Pharmanza under license from the Council of Scientific and

Industrial Research – Central Drug Research Institute, in India. Where appropriate and advantageous for our business, we intend to selectively pursue opportunities that will:

- consolidate our market position and enhance our financial position;
- develop operating leverage for key therapeutic areas by unlocking potential efficiency and synergy benefits;
- strengthen or expand our product portfolio within existing therapeutic areas including cardiovascular and anti-diabetics;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our sales, marketing and distribution network, customers and geographical reach.

SUMMARY FINANCIAL INFORMATION

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
SUMMARY STATEMENT OF RESTATED STANDALONE ASSETS AND LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(1) Shareholders' Funds					
(a) Share capital	137.50	1.38	1.38	1.38	1.38
(b) Reserves and surplus	5,341.67	3,052.14	2,672.36	1,839.83	1,188.31
(2) Non current liabilities					
(a) Long-term borrowings	-	-	5.00	-	0.37
(b) Other long-term liabilities	27.49	24.85	13.37	10.73	16.20
(c) Long-term provisions	185.35	230.98	199.88	170.21	152.33
(3) Current liabilities					
(a) Trade payables					
Due to micro and small enterprises	-	-	-	-	-
Due to others	251.10	278.94	360.97	326.45	191.38
(b) Other current liabilities	123.89	253.84	76.57	141.58	65.31
(c) Short-term provisions	233.03	179.05	209.25	185.65	124.31
Total	6,300.03	4,021.18	3,538.78	2,675.83	1,739.59
II. ASSETS :					
(1) Non current assets					
(a) Fixed assets					
(i) Tangible assets	537.50	640.96	605.78	631.97	148.24
(ii) Intangible assets	363.34	6.95	6.90	6.57	0.79
(b) Non current investments	874.74	625.95	1,130.50	306.40	115.52
(c) Deferred tax assets (net)	51.55	54.14	32.92	1.97	2.62
(d) Long-term loans and advances	634.05	323.02	176.64	183.64	137.71
(e) Other non-current asset	24.00	-	-	-	-
(2) Current assets					
(a) Current investments	2,584.83	1,437.33	692.40	669.64	465.00
(b) Inventories	472.01	494.58	538.33	454.85	519.68
(c) Trade receivables	413.02	253.62	236.21	223.09	165.96
(d) Cash and cash equivalents	20.55	85.29	49.12	59.02	35.16
(e) Short-term loans and advances	244.68	96.98	67.71	138.68	148.91
(f) Other current assets	79.76	2.36	2.27	-	-
Total	6,300.03	4,021.18	3,538.78	2,675.83	1,739.59

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
SUMMARY STATEMENT OF RESTATED STANDALONE PROFIT AND LOSS

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
REVENUE:					
Revenue from operations (gross)	7,129.04	6,232.42	5,569.16	5,204.62	4,170.19
Less: Excise duty	(245.38)	(177.59)	(89.30)	-	-
Revenue from operations (net)	6,883.66	6,054.83	5,479.86	5,204.62	4,170.19
Other income	190.77	32.83	34.28	43.60	14.10
Total Revenue (I)	7,074.43	6,087.66	5,514.14	5,248.22	4,184.29
EXPENSES:					
(a) Cost of materials consumed	453.75	381.47	317.27	-	-
(b) Purchases of stock-in-trade	532.35	750.78	825.43	1,162.41	1,271.19
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	80.86	21.40	(55.48)	116.34	(289.05)
(d) Employee benefits expense	1,170.62	1,223.56	1,237.53	878.53	653.01
(e) Other expenses	1,942.17	1,974.50	2,016.59	2,163.89	1,618.43
Total (II)	4,179.75	4,351.71	4,341.34	4,321.17	3,253.58
Restated Profit before interest, tax, depreciation and amortisation (I - II)	2,894.68	1,735.95	1,172.80	927.05	930.71
Finance costs	1.08	1.20	0.06	0.37	2.66
Depreciation and amortisation expense	231.34	195.49	146.66	37.45	23.10
Restated Profit before tax	2,662.26	1,539.26	1,026.08	889.23	904.95
TAX EXPENSE					
(a) Current tax expense	553.83	313.09	223.73	237.06	250.56
(b) (Less): MAT credit	(319.81)	(132.30)	-	-	-
(c) Net current tax expense	234.02	180.79	223.73	237.06	250.56
(d) Deferred tax charge / (credit)	2.59	(21.22)	(30.90)	0.65	(3.57)
Net tax expense	236.61	159.57	192.83	237.71	246.99
Restated Profit after tax	2,425.65	1,379.69	833.25	651.52	657.96

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
SUMMARY STATEMENT OF RESTATED STANDALONE CASH FLOWS

₹ in Million

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A. Cash flow from operating activities					
Profit before tax	2,662.26	1,539.26	1,026.08	889.23	904.95
Adjustments for :					
Depreciation and amortisation expense	231.34	195.49	146.66	37.45	23.10
Preliminary expenditure written off	-	-	0.26	0.26	0.32
(Profit)/Loss on fixed assets sold / written off	1.87	0.55	(0.17)	0.66	5.62
Finance costs	1.08	1.20	0.06	0.37	2.66
Interest Income	(8.68)	(3.29)	(0.18)	(1.10)	(2.37)
Provision for diminution in Investment	3.97	13.49	-	-	-
Debts written off	-	-	-	-	34.58
Dividend income	(0.35)	(0.30)	-	(0.18)	(9.52)
Net gain on sale of investments	(168.11)	(29.07)	(33.15)	(42.32)	(2.17)
Operating profit before working capital changes	2,723.38	1,717.33	1,139.56	884.37	957.17
Changes in working capital:					
Adjustments for (increase) / decrease in operating assets:					
Trade receivables	(159.40)	(17.41)	(13.12)	(57.13)	(21.89)
Inventories	22.57	43.75	(83.48)	64.83	(280.07)
Loans & advances and other assets	(222.21)	(41.13)	66.89	(2.06)	(102.08)
Adjustments for increase / (decrease) in operating liabilities:					
Trade payable, liabilities and provisions	9.45	(60.47)	43.86	269.20	165.54
Cash generated from operations	2,373.79	1,642.07	1,153.71	1,159.21	718.67
Net income tax paid	(522.07)	(315.54)	(230.05)	(262.33)	(314.60)
Net cash flow from operating activities (A)	1,851.72	1,326.53	923.66	896.88	404.07
B. Cash flow from investing activities					
Purchase of Fixed assets	(488.61)	(232.16)	(130.73)	(517.25)	(72.43)
Purchase of Non Current investments	(773.79)	(44.60)	(486.34)	(190.93)	(58.83)
Sale of Non Current investments	132.91	-	-	0.05	-
Purchase of Current Investment (Net)	(621.26)	(180.23)	(327.36)	(162.32)	(328.31)
Bank balances not considered as cash and cash equivalents- Deposits					
Matured / (Placed)	(0.02)	(0.48)	(0.05)	22.40	38.90
Interest Income	8.80	3.02	0.18	1.10	2.36
Proceeds from sale of fixed asset	0.35	0.29	0.75	0.40	1.32
Dividend income	0.35	0.30	-	0.18	9.52
Net cash used in investing activities (B)	(1,741.27)	(453.86)	(943.55)	(846.37)	(407.47)
C. Cash flow from financing activities					
Repayment of long-term borrowings	(5.00)	(5.00)	-	(3.88)	(8.51)
Proceeds from long-term borrowings	-	-	10.00	-	-
Finance costs	(1.08)	(1.20)	(0.06)	(0.37)	(2.66)
Interim dividend paid / Dividend distribution tax paid	(169.13)	(830.78)	-	-	-
Net cash flow from / (used in) financing activities (C)	(175.21)	(836.98)	9.94	(4.25)	(11.17)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(64.76)	35.69	(9.95)	46.26	(14.57)
Cash and cash equivalents at the beginning of the year	84.76	49.07	59.02	12.76	27.33
Cash and cash equivalents at end of the year {Refer note-18 (a) }	20.00	84.76	49.07	59.02	12.76
Notes:					
(i) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3-Cash Flow Statements.					
(ii) Cash and Cash Equivalents:					
Cash on hand	0.46	15.41	8.65	5.38	4.85
Balance with banks					
In Current Account	19.54	69.35	40.42	53.64	7.91
Cash and Cash Equivalents as per Cash flow statement {Refer note- 18(a)}	20.00	84.76	49.07	59.02	12.76

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
SUMMARY STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES :					
(1) Shareholders' Funds					
(a) Share capital	137.50	1.38	1.38	1.38	1.38
(b) Reserves and surplus	5,261.74	2,991.06	2,655.28	1,763.66	1,059.47
(2) Minority Interest	-	32.01	39.24	43.55	47.48
(3) Non current liabilities					
(a) Long-term borrowings	4.94	-	5.00	-	5.63
(b) Other long-term liabilities	36.07	24.85	13.37	10.73	16.20
(c) Long-term provisions	211.53	230.98	199.87	170.21	152.33
(4) Current liabilities					
(a) Trade payables					
Due to micro and small enterprises	-	-	-	-	-
Due to others	385.17	245.67	367.11	373.83	220.17
(b) Other current liabilities	135.16	266.23	77.41	147.66	90.02
(c) Short-term provisions	237.86	181.41	214.19	194.97	125.37
Total	6,409.97	3,973.59	3,572.85	2,705.99	1,718.05
II. ASSETS :					
(1) Non current assets					
(a) Fixed assets					
(i) Tangible assets	553.12	706.70	674.99	710.51	235.17
(ii) Intangible assets	363.34	6.96	6.90	6.58	0.82
(iii) Capital Work in progress	0.74				
(b) Goodwill on Consolidation	792.61	-	35.53	32.16	32.84
(c) Non current investments	100.97	625.97	972.77	170.02	0.07
(d) Deferred tax assets (net)	95.15	57.42	33.09	2.14	2.62
(e) Long-term loans and advances	635.27	354.13	214.79	229.80	182.98
(f) Other non current assets	24.00	-	-	-	-
(2) Current assets					
(a) Current investments	2,584.83	1,274.45	692.40	669.64	465.00
(b) Inventories	558.20	476.22	576.05	448.11	431.98
(c) Trade receivables	488.59	253.69	236.66	223.40	165.96
(d) Cash and cash equivalents	24.21	96.94	57.21	72.85	48.97
(e) Short-term loans and advances	109.18	117.92	69.36	140.78	151.64
(f) Other current assets	79.76	3.19	3.10	-	-
Total	6,409.97	3,973.59	3,572.85	2,705.99	1,718.05

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
SUMMARY STATEMENT OF RESTATED CONSOLIDATED PROFIT AND LOSS

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
REVENUE:					
Revenue from operations (gross)	7,494.95	6,147.80	5,544.88	5,088.22	3,930.64
Less: Excise duty	(245.38)	(177.59)	(89.30)	-	-
Revenue from operations (net)	7,249.57	5,970.21	5,455.58	5,088.22	3,930.64
Other income	191.12	33.72	34.94	44.20	14.49
Total Revenue (I)	7,440.69	6,003.93	5,490.52	5,132.42	3,945.13
EXPENSES:					
(a) Cost of materials consumed	504.58	582.30	442.07	276.61	433.55
(b) Purchases of stock-in-trade	569.49	317.13	606.39	669.49	517.53
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(31.00)	77.56	(106.20)	41.18	(213.80)
(d) Employee benefits expense	1,319.71	1,246.67	1,256.30	905.43	673.05
(e) Other expenses	2,200.38	2,031.07	2,042.49	2,206.32	1,661.44
Total (II)	4,563.16	4,254.73	4,241.05	4,099.03	3,071.77
Restated Profit before interest, tax, depreciation and amortisation (I-II)	2,877.53	1,749.20	1,249.47	1,033.39	873.36
Finance costs	2.42	1.20	0.18	2.46	7.12
Depreciation and amortisation expense	237.39	203.56	155.14	47.68	34.85
Restated Profit before tax	2,637.72	1,544.44	1,094.15	983.25	831.39
TAX EXPENSE					
(a) Current tax expense	566.56	352.51	232.45	277.40	250.56
(b) (Less): MAT credit	(319.81)	(132.30)	-	-	-
(c) Net current tax expense	246.75	220.21	232.45	277.40	250.56
(d) Deferred tax (credit) / charge	(28.03)	(24.34)	(30.89)	0.48	(3.57)
Net tax expense	218.72	195.87	201.56	277.88	246.99
Restated Profit after tax before share of profit/(loss) of minority interest	2,419.00	1,348.57	892.59	705.37	584.40
Less : Share of profit/(loss) attributable to Minority Interest	(1.79)	12.88	0.25	1.18	2.42
Restated Profit attributable to the shareholders of the company	2,420.79	1,335.69	892.34	704.19	581.98

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A. Cash flow from operating activities					
Profit before tax	2,637.72	1,544.44	1,094.15	983.25	831.39
Adjustments for :					
Depreciation and amortisation expense	237.39	203.56	155.14	47.68	34.85
Preliminary expenditure written off	-	-	0.26	0.27	0.32
(Profit)/Loss on fixed assets sold / written off	1.86	0.56	(0.13)	0.66	5.62
Finance costs	2.42	1.20	0.18	2.46	7.12
Interest Income	(7.68)	(4.18)	(0.84)	(1.70)	(2.76)
Impairment of goodwill on consolidation	-	27.41	-	-	0.96
Debts written off	-	-	-	-	34.58
Profit on disposal of undertaking	(13.92)	-	-	-	-
Diminution in value of Investment	3.97	-	-	-	-
Dividend income	(0.35)	(0.30)	-	(0.18)	(9.52)
Net gain on sale of investments	(168.31)	(29.07)	(33.15)	(42.32)	(2.07)
Operating profit before working capital changes	2,693.10	1,743.62	1,215.61	990.12	900.49
Changes in working capital:					
Adjustments for (increase) / decrease in operating assets:					
Trade receivables	(138.36)	(17.03)	(13.26)	(57.44)	(21.50)
Inventories	(37.25)	99.83	(127.94)	(16.13)	(206.27)
Loans & advances and other assets	(79.84)	(64.50)	65.83	4.28	(102.87)
Adjustments for increase / (decrease) in operating liabilities:					
Trade payable, liabilities and provisions	91.80	(100.35)	(5.26)	276.55	170.14
Cash generated from operations	2,529.45	1,661.57	1,134.98	1,197.38	739.99
Net income tax paid	(530.80)	(346.78)	(234.41)	(301.14)	(359.84)
Net cash flow from operating activities (A)	1,998.65	1,314.79	900.57	896.24	380.15
B. Cash flow from investing activities					
Purchase of Fixed assets	(497.47)	(236.41)	(130.84)	(519.33)	(78.43)
Purchase of non-current Investments	(773.79)	-	-	-	-
Purchase of Non Current investments	-	(25.95)	(465.00)	(170.00)	-
Sale of Non Current investments	-	-	-	0.05	-
Purchase of Current Investment (Net)	(621.05)	(180.23)	(327.36)	(162.32)	(328.41)
Proceeds from disposal of undertaking	35.00	-	-	-	-
Bank balances not considered as cash and cash equivalents-Deposits Matured / (Placed)	7.70	(1.05)	(0.55)	21.89	36.56
Interest Income	7.80	3.91	0.84	1.70	2.75
Proceeds from sale of fixed assets	0.36	0.30	1.58	0.40	1.32
Dividend income	0.35	0.30	-	0.18	9.52
Net cash used in investing activities (B)	(1,841.10)	(439.13)	(921.33)	(827.43)	(356.69)
C. Cash flow from financing activities					
Repayment of long-term borrowings	(5.52)	(5.00)	(5.25)	(20.58)	(24.07)
Repayment of Short-term borrowings	(59.57)	-	-	-	-
Proceeds from long-term borrowings	-	-	10.00	-	-
Finance costs	(2.42)	(1.20)	(0.18)	(2.46)	(7.12)
Interim dividend paid/ Dividend distribution tax	(169.12)	(830.78)	-	-	-
Net cash flow from / (used in) financing activities (C)	(236.63)	(836.98)	4.57	(23.04)	(31.19)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(79.08)	38.68	(16.19)	45.77	(7.73)
Cash and cash equivalents at the beginning of the year	88.67	49.99	66.18	20.41	28.14
Cash and cash equivalents acquired pursuant to acquisition	15.63	-	-	-	-
Cash and cash equivalents disposed pursuant to disposal	(1.80)	-	-	-	-
Cash and cash equivalents at end of the year {Refer note-18 (a) }	23.42	88.67	49.99	66.18	20.41
Notes:					
(i) The Cash Flow Statement has been prepared as per the "Indirect Method" as set out in Accounting Standard 3-Cash Flow Statements.					
(ii) Cash and Cash Equivalents:					
Cash on hand	0.80	16.84	9.22	5.78	5.56
Balance with banks					
In Current Account	22.62	71.83	40.77	60.40	14.85
Cash and Cash Equivalents as per Cash flow statement {Refer note- 18(a) }	23.42	88.67	49.99	66.18	20.41

THE OFFER

The following table summarizes details of the Offer[#]:

Offer*	28,875,000 Equity Shares aggregating to ₹ 17,411.63 million
<i>Of which</i>	
Employee Reservation Portion ^{##}	150,000 Equity Shares
<i>Accordingly,</i>	
The Net Offer	28,725,000 Equity Shares
<i>Of which</i>	
QIB Category ^{###}	At least 21,543,750 Equity Shares
<i>Of which:</i>	
Anchor Investor Portion	12,926,250 Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	8,617,500 Equity Shares
<i>Of which:</i>	
- Available for allocation to Mutual Funds only	430,875 Equity Shares
- Balance for all QIBs including Mutual Funds	8,186,625 Equity Shares
Non-Institutional Category	Not more than 4,308,750 Equity Shares
Retail Category	Not more than 2,872,500 Equity Shares
Equity Shares outstanding prior to and after the Offer	137,500,000 Equity Shares
Use of proceeds of the Offer	For details, see “ Objects of the Offer ” on page 82

[#] Subject to finalization of the Basis of Allotment.

* The Offer has been authorised by a resolution by our Board of Directors dated February 2, 2017. Each of the Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale. For details see “**Other Regulatory and Statutory Disclosures**” on page 270.

^{##} Eligible Employees bidding in the Employee Reservation Portion were required to ensure that the Bid Amount did not exceed ₹ 500,000 and were also required to note that while filling the “SCSB/Payment Details” block in the Bid cum Application Form, Eligible Employees mention the Bid Amount. For further details, see “- **Notes**” below.

^{###} Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares are added to the QIB Category. For more information, see “**Offer Procedure**” on page 292.

Notes:

1. Pursuant to Rule 19(2)(b)(iii) of the SCRR, the Net Offer is made for at least 10% of the post-Offer paid-up Equity Share capital of our Company.
2. The Equity Shares offered by the Selling Shareholders are eligible to be offered for sale in accordance with Regulation 26(6) of the SEBI ICDR Regulations. For more information, see “**Capital Structure**” on page 68.
3. Our Company will not receive any proceeds from the Offer.

4. Allocation to all categories, except Anchor Investors and Retail Individual Investors, was made on a proportionate basis. The allocation to each Retail Individual Investor is not less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, are allocated on a proportionate basis. For details, see “**Offer Procedure**” on page 292.
5. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or a combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories.
6. The Employee Discount of ₹ 60 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public.

For details, including in relation to grounds for rejection of Bids, refer to “**Offer Structure**” and “**Offer Procedure**” on page 285 and 292, respectively. For details of the terms of the Offer, see “**Terms of the Offer**” on page 289.

GENERAL INFORMATION

Our Company was incorporated as ‘Eris Lifescience Private Limited’ on January 25, 2007, as a private limited company under the Companies Act, 1956, at Ahmedabad, with a certificate of incorporation granted by the RoC. Pursuant to a resolution of our shareholders dated February 5, 2007, the name of our Company was changed to “Eris Lifesciences Private Limited” and a fresh certificate of incorporation was issued by the RoC on February 9, 2007. Pursuant to conversion of our Company to a public limited company and as approved by our shareholders through a resolution dated January 31, 2017, our name was changed to Eris Lifesciences Limited and the RoC issued a fresh certificate of incorporation on February 2, 2017. For further details of changes in name and Registered and Corporate Office of our Company, see “**History and Certain Corporate Matters**” on page 128.

Registration Number: 049867

Corporate Identification Number: U24232GJ2007PTC049867

Registered Office:

21, New York Tower – A
Near Muktidham Temple, Thaltej Cross Road
Thaltej, Ahmedabad 380 054
Gujarat, India
Tel: +91 79 48903474
Fax: +91 79 48903474
Website: www.eris.co.in

Corporate Office:

7th Floor, Commerce House IV
Beside Shell Petrol Pump
100 Feet Road, Prahladnagar, Ahmedabad 380 015
Gujarat, India
Tel: +91 79 3045 1111
Fax: +91 79 3017 9404

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat, located at the following address:

Registrar of Companies, Gujarat

RoC Bhawan, Opposite Rupal Park
Near Ankur Bus Stand, Naranpur, Ahmedabad 380 013
Gujarat, India
Tel: +91 79 2743 7597, 2743 8531
Fax: +91 79 2743 8371

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Prospectus:

Name and Designation	Age (years)	DIN	Address
Mr. Amit Indubhushan Bakshi <i>Designation:</i> Chairman and Managing Director	42	01250925	01 Amrakadam Co-operative Housing Society, Opposite Sukan Flats, Ramdevnagar, Satellite, Ahmedabad 380 015, Gujarat, India
Mr. Himanshu Jayantbhai Shah <i>Designation:</i> Executive Director	41	01301025	A-504, Dhananjay Tower, Near 100 Feet Road Satellite, Ahmedabad 380 015, Gujarat, India

Name and Designation	Age (years)	DIN	Address
Mr. Inderjeet Singh Negi <i>Designation:</i> Executive Director	45	01255388	B/51, Riviera Elegance, Corporate Road, Prahladnagar, Satellite, Ahmedabad 380 015, Gujarat, India
Mr. Rajiv Gulati <i>Designation:</i> Independent Director	60	06820663	B 4/1201, World Spa West, National Highway 8, Gurgaon 122 001, Haryana, India
Ms. Vijaya Sampath <i>Designation:</i> Independent Director	64	00641110	Flat 403, Block 14, Heritage City, Mehrauli Gurgaon 122 002, Haryana, India
Dr. Kirit Nanubhai Shelat <i>Designation:</i> Independent Director	71	00190619	6, Manikmal Society, Surdhara Circle, Thaltej, Ahmedabad 380 059, Gujarat, India
Mr. Shardul Suresh Shroff <i>Designation:</i> Independent Director	61	00009379	S 270, Greater Kailash, Part II, New Delhi 110 048, India

For brief profiles and further details in respect of our Directors, see “**Our Management**” on page 135.

Chief Financial Officer

Mr. Sachin Shah is the Chief Financial Officer of our Company. His contact details are as follows:

Mr. Sachin Shah

7th Floor, Commerce House IV
Beside Shell Petrol Pump
100 Feet Road, Prahladnagar, Ahmedabad 380 015
Gujarat, India
Tel: +91 79304 51105
E-mail: sachin@erislifesciences.com

Company Secretary and Compliance Officer

Mr. Milind Talegaonkar is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Mr. Milind Talegaonkar

7th Floor, Commerce House IV
Beside Shell Petrol Pump
100 Feet Road, Prahladnagar, Ahmedabad 380 015
Gujarat, India
Tel: +91 79 3045 1182
Fax: +91 79 3017 9404
E-mail: complianceofficer@erislifesciences.com

Investors can contact the Company Secretary and Compliance Officer, the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs or the Registrar to Offer, in the manner provided below.

All grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the

relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

Axis Capital Limited 1 st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai 400 025, Maharashtra, India Tel: +91 22 4325 2183 Fax: +91 22 4325 3000 Email: eris.ipo@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Mr. Lohit Sharma SEBI Registration No: INM000012029	Citigroup Global Markets India Private Limited 1202, 12 th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 Email: erislifesciences.ipo@citi.com Investor Grievance E-mail: investors.cgmb@citi.com Website: www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm Contact Person: Mr. Ashish Guneta SEBI Registration No: INM000010718	Credit Suisse Securities (India) Private Limited 9 th Floor, Ceejay House, Dr. Annie Besant Road, Shivsagar Estate, Worli, Mumbai 400 018, Maharashtra, India Tel: +91 22 6777 3777 Fax: +91 22 6777 3820 Email: list.projectapollo@credit-suisse.com Investor Grievance E-mail: list.igcellmerbnkg@credit-suisse.com Website: www.credit-suisse.com/in/IPO/ Contact Person: Mr. Abhay Agarwal SEBI Registration No: INM000011161

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

S. No.	Activity	Responsibility	Co-ordinator
1.	Pre-Offer due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements	Axis, Credit Suisse, Citi	Axis
2.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.	Axis, Credit Suisse, Citi	Axis
3.	Appointment of Banker(s) to the Offer and printer	Axis, Credit Suisse, Citi	Citi
4.	Appointment of advertising agency including co-ordination for agreements to appoint the ad agency and filing of media compliance report to SEBI.	Axis, Credit Suisse, Citi	Credit Suisse
5.	Appointment of Registrar to the Offer including co-ordination for agreements to appoint the Registrar to the Offer	Axis, Credit Suisse, Citi	Citi
6.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure	Axis, Credit Suisse, Citi	Credit Suisse
7.	International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions.	Axis, Credit Suisse, Citi	Credit Suisse
8.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules	Axis, Credit Suisse, Citi	Axis

S. No.	Activity	Responsibility	Co-ordinator
9.	Non-Institutional marketing of the Offer and retail marketing of the Offer, which will cover, inter alia: - Formulating marketing strategies; - Preparation of publicity budget, finalizing media and public relations strategy. - Finalizing centres for holding conferences for brokers - Finalizing collection centres; and - Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.	Axis, Credit Suisse, Citi	Axis
10.	Coordination with Stock Exchanges for book building process, filing of letters including software, bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to the designated stock exchange	Axis, Credit Suisse, Citi	Citi
11.	Pricing and managing the book	Axis, Credit Suisse, Citi	Citi
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance(No. 2) Act, 2004 Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI	Axis, Credit Suisse, Citi	Citi

Syndicate Members

The Book Running Lead Managers

Legal Counsel to the Company and the Investor Selling Shareholder as to Indian Law

Shardul Amarchand Mangaldas & Co

Amarchand Towers

216, Okhla Industrial Estate Phase – III

New Delhi 110 020, India

Tel: +91 11 4159 0700

Fax: +91 11 2692 4900

Legal Counsel to the BRLMs as to Indian Law

Khaitan & Co

One Indiabulls Centre

13th Floor, Tower 1

841 Senapati Bapat Marg

Mumbai 400 013

Maharashtra, India

Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

International Legal Counsel to the BRLMs

Sidley Austin LLP

Level 31
Six Battery Road
Singapore 049909
Tel: +65 6230 3900
Fax: +65 6230 3939

Registrar to the Offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: +91 22 6171 5400
Fax: +91 22 2596 0329
E-mail: eris.ipo@linkintime.co.in
Investor grievance e-mail: eris.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Bank/ Public Account Offer Bank/ Refund Bank

Axis Bank Limited

Business Square Building, Ground Floor
Near Krishnabaug Char Rasta, Maninagar
Ahmedabad 380 008
Gujarat, India
Tel: +91 79 4026 0400/01/02/03
Fax: +91 79 4026 0450
E-mail: maninagar.branchhead@axisbank.com, maninagar.operationshead@axisbank.com
Website: www.axisbank.com
Contact Persons: Mr. Amit Patel
SEBI Registration No.: INB100000017

Self –Certified Syndicate Banks

The list of SCSBs is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Bid cum Application Forms available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

Registered Brokers

Bidders can submit Bid cum ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com/Static/Markets/PublicIssues/brokercentres.aspx?expandable=3> and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Collecting Registrar and Share Transfer Agents

The list of the CRTAs eligible to accept ASBA Forms at the Collection Centres, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Collection Centres, including details such as name and contact details, are provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Auditors to our Company

Deloitte Haskins & Sells LLP

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

Tel: +91 79 6682 7300

Fax: +91 22 6682 7400

E-mail: kraval@deloitte.com

ICAI registration number: 117366W/W-100018

Peer review number: 009919

Bankers to our Company

HDFC Bank Limited

FIG-OPS Department, Lodha
I Think Techno Campus, O-3 Level
Next to Kanjurmarg Railway Station, Kanjurmarg (East)
Mumbai 400 042, Maharashtra, India

Tel: +91 22 3075 2928

Fax: +91 22 2579 9801

E-mail: uday.dixit@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Mr. Uday Dixit

Axis Bank Limited

Business Square Building, Ground Floor
Near Krishna Baugh Char Rasta, Maninagar
Ahmedabad 380 008, Gujarat, India

Tel: +91 79 4026 0400/ 4026 0411

Fax: +91 79 4026 0450

E-mail: maninagar.branchhead@axisbank.com, maninagar.operationshead@axisbank.com

Website: www.axisbank.com

Contact Persons: Mr. Jimmy Parekh and Mrs. Prasanna Ramdas

IDBI Bank Limited

1, 2 Sigma Icon, Opposite Medilink Hospital

Near Shyamal Cross Road, Satellite

Ahmedabad 380 015, Gujarat, India

Tel: +91 79 6190 5601/02/03

Fax: +91 79 6190 5612

E-mail: ibkl000179@idbi.co.in

Website: www.idbi.com

Contact Person: Mr. Rakesh M. Singh

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

The Offer being an Offer for Sale, the objects of the Offer have not been appraised.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received consent from the Auditor, Deloitte Haskins & Sells, Chartered Accountants, to include its name in this Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2 (38) read with Section 26(5) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination reports dated May 25, 2017 on the Restated Financial Statements, and for the statement of tax benefits, dated May 23, 2017 included in this Prospectus and such consent has not been withdrawn as of the date of this Prospectus. However, the term “expert” and consent thereof does not represent an “expert” or consent within the meaning under the U.S. Securities Act, 1933.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Trustees

As the Offer is of Equity Shares, the appointment of trustees not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which was decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all Gujarati editions of Financial Express (a widely circulated Gujarati newspaper, Gujarati being the regional language in the place where our Registered and Corporate Office is located), at least five Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price has been determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (except Anchor Investors) were mandatorily required to participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see “Offer Structure” on page 285.

Investors should note the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after this Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Offer, and does not illustrate bidding by Anchor Investors)

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding Centres during the bid period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, will finalise the Offer Price at or below such cut-off, i.e., at or below ₹ 22. All bids at or above the Offer Price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

Our Company, the Selling Shareholders and the Registrar to the Offer have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated June 21, 2017. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
Axis Capital Limited 1st Floor, Axis House, C-2, Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Maharashtra, India Tel: + 91 22 4325 2183 Fax: +91 22 4325 3000 E-mail: eris.ipo@axiscap.in	2,443,750	1,473.58

Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block C54 & 55, Bandra Kurla Complex, Bandra (East), Mumbai 400 098 Maharashtra, India Tel: +91 22 6175 9999 Fax: +91 22 6175 9961 E-mail: erislifesciences.ipo@citi.com	2,443,750	1,473.58
Credit Suisse Securities (India) Private Limited 9th Floor, Ceejay House Dr. Annie Besant Road Worli, Mumbai 400 018 Maharashtra, India Tel: +91 22 6777 3777 Fax: +91 22 6777 3820 E-mail: list.projectapollo@credit-suisse.com	2,443,750	1,473.58

The abovementioned amounts are provided for indicative purposes only and would be finalized after actual allocation and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Prospectus, is set forth below.

	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Offer Price (in ₹)
A)	AUTHORISED SHARE CAPITAL *		
	300,000,000 Equity Shares of ₹ 1 each	300,000,000	-
B)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	137,500,000 Equity Shares of ₹ 1 each	137,500,000	-
C)	OFFER#		
	Offer of 28,875,000 Equity Shares aggregating to ₹ 17,411.63 million**	28,875,000	17,411,625,000
	<i>Of which</i>		
	Employee Reservation Portion of 150,000 Equity Shares	150,000	81,450,000
D)	Net Offer of 28,725,000 Equity Shares aggregating to ₹ 17,321 million	28,725,000	17,321,175,000
	<i>Of which</i>		
	QIB Category of at least 21,543,750 Equity Shares###	21,543,750	12,990,881,250
	<i>Of which:</i>		
	Anchor Investor Portion of up to 12,926,250 Equity Shares	12,926,250	7,794,528,750
	Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	8,617,500	5,196,352,500
	<i>Of which:</i>		
	- 430,875 Equity Shares was made available for allocation to Mutual Funds only	430,875	259,817,625
	- 8,186,625 Equity Shares was made available for all QIBs including Mutual Funds	8,186,625	4,936,534,875
	Non-Institutional Category of not more than 4,308,750 Equity Shares	4,308,750	2,598,176,250
	Retail Category of not more than 2,872,500 Equity Shares	2,872,500	1,732,117,500
	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	137,500,000 Equity Shares of ₹ 1 each	137,500,000	-
E)	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		Nil
	After the Offer		Nil

* For details of the changes in the authorized share capital of our Company, see “**History and Certain Corporate Matters – Amendments to our Memorandum of Association**” on page 129.

** The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on February 2, 2017. Each of the Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale. For details see “**Other Regulatory and Statutory Disclosures**” on page 270.

Subject to finalisation of the Basis of Allotment.

Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares are added to the QIB Category. For more information, see “**Offer Procedure**” on page 292.

Notes to Capital Structure

1. Share Capital History

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Number of equity shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
January 25, 2007	10,000	10	10	Cash	Subscription to the MoA ⁽¹⁾	10,000	100,000
March 31, 2009	100,000	10	N.A.	Bonus	Allotment of bonus shares in the ratio 10:1 ⁽²⁾	110,000	1,100,000
August 21, 2010	27,500	10	10	Cash	Further Issue ⁽³⁾	137,500	1,375,000
Equity Shares issued in the two years preceding the date of this Prospectus							
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 137,500 equity shares of ₹ 10 each was split into 1,375,000 equity shares of ₹ 1 each.							
September 6, 2016	136,125,000	1	N.A.	Bonus	Allotment of bonus shares in the ratio 99:1 ⁽⁴⁾	137,500,000	137,500,000

- (1) Initial subscription to the MoA of 2,500 equity shares by Mr. Rakeshbhai Bhikhabhai Shah, 5,000 equity shares by Mr. Himanshu Jayantbhai Shah and 2,500 equity shares by Mr. Bhikhabhai Chimanlal Shah.
- (2) Allotment of 19,000 equity shares each to Mr. Bhikhabhai Chimanlal Shah and Mr. Rakeshbhai Bhikhabhai Shah, 6,000 equity shares to Mr. Kaushal Kamlesh Shah and Mr. Hetal Rasiklal Shah, 10,000 equity shares each to Mr. Rajendrakumar Rambhai Patel, Mr. Inderjeet Singh Negi and Mr. Himanshu Jayantbhai Shah and 20,000 equity shares to Mr. Amit Indubhushan Bakshi.
- (3) Allotment of 27,500 equity shares to Mr. Amit Indubhushan Bakshi.
- (4) Allotment of 54,409,410 Equity Shares to Mr. Amit Indubhushan Bakshi, 6,902,280 Equity Shares to Mr. Himanshu Jayantbhai Shah, 6,901,290 Equity Shares each to Mr. Inderjeet Singh Negi, 5,445,000 Equity Shares each to Mr. Hetal Rasiklal Shah and Mr. Kaushal Kamlesh Shah, 6,901,290 Equity Shares to Mr. Rajendrakumar Rambhai Patel, 12,304,710 Equity Shares to Mr. Bhikhabhai Chimanlal Shah, 15,695,460 Equity Shares to Mr. Rakeshbhai Bhikhabhai Shah and 22,120,560 Equity Shares to Botticelli, capitalized out of the free reserves of our Company.

2. Equity Shares issued for consideration other than cash

Our Company has not issued any Equity Shares for consideration other than cash, since incorporation. However, our Company has allotted bonus shares on March 31, 2009 and September 6, 2016. For further details, see “– Notes to Capital Structure – Share Capital History” on page 68.

3. Issue of Equity Shares in the last one year

Except as set forth below our Company has not issued Equity Shares in one year immediately preceding the date of this Prospectus.

Date of allotment	Number of Equity Shares issued	Face value (₹)	Issue price (₹)	Names of allottees	Reasons for allotment and benefits accrued to our Company
September 6, 2016	136,125,000	1	N.A.	Allotment of 54,409,410 Equity Shares to Mr. Amit Indubhushan Bakshi, 6,902,280 Equity Shares to Mr. Himanshu Jayantbhai Shah, 6,901,290 Equity Shares each to Mr. Inderjeet Singh Negi, 5,445,000 Equity Shares each to Mr. Hetal Rasiklal Shah and Mr. Kaushal Kamlesh Shah, 6,901,290 Equity Shares to Mr. Rajendrakumar Rambhai Patel, 12,304,710 Equity Shares to Mr. Bhikhabhai Chimanlal Shah, 15,695,460 Equity Shares to Mr. Rakeshbhai Bhikhabhai Shah and 22,120,560 Equity Shares to Botticelli.	Bonus issue

Our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

4. Employee Stock Option Scheme

Pursuant to a resolution of our Board of Directors dated February 2, 2017 and shareholders' resolution dated February 3, 2017, our Company instituted an employee stock option plan, 'Eris Lifesciences Employee Stock Option Plan 2017' ("**Eris ESOP**"). Our Auditors have, pursuant to their certificate dated February 6, 2017 confirmed that the Eris Lifesciences Employee Stock Option Plan 2017 has been framed and implemented in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended. Under the Eris ESOP, an aggregate of 391,599 stock options may be granted to eligible employees, with each option being exercisable to receive one Equity Share. The following table sets out particulars of the options granted under the Eris ESOP as on the date of this Prospectus.

Particulars	Details										
Options granted	391,599										
The pricing formula	Discount to fair market value of the Equity Shares as on the date of grant										
Exercise price of options (as of the date of grant of options)	₹ 451.04										
Total options vested	Nil										
Options exercised	Nil										
Total number of Equity Shares that would arise as a result of full exercise of options already granted (net of cancelled options)	391,599										
Options forfeited/lapsed/cancelled	Nil										
Variation in terms of options	Nil										
Money realised by exercise of options	Nil										
Options outstanding (in force)	391,599										
Employee-wise details of options granted to:											
(i) Senior managerial personnel, i.e., Directors and key management personnel	<table><tr><th>Name of Employee</th><th>Options granted</th></tr><tr><td>Mr. Sachin Shah</td><td>16,628</td></tr><tr><td>Mr. Milind Talegaonkar</td><td>6,651</td></tr></table>	Name of Employee	Options granted	Mr. Sachin Shah	16,628	Mr. Milind Talegaonkar	6,651				
	Name of Employee	Options granted									
	Mr. Sachin Shah	16,628									
Mr. Milind Talegaonkar	6,651										
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	<table><tr><th>Name of Employee</th><th>Options granted</th></tr><tr><td>Mr. Chetan Doshi</td><td>24,943</td></tr><tr><td>Mr. Chetan Soni</td><td>20,786</td></tr><tr><td>Mr. Vijay S. Joshi</td><td>24,943</td></tr><tr><td>Mr. Sabyasachi Sharma</td><td>24,943</td></tr></table>	Name of Employee	Options granted	Mr. Chetan Doshi	24,943	Mr. Chetan Soni	20,786	Mr. Vijay S. Joshi	24,943	Mr. Sabyasachi Sharma	24,943
	Name of Employee	Options granted									
	Mr. Chetan Doshi	24,943									
	Mr. Chetan Soni	20,786									
	Mr. Vijay S. Joshi	24,943									
Mr. Sabyasachi Sharma	24,943										
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil										

Fully-diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’	NA, since the options were granted on April 12, 2017																		
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company for Fiscals 2015, 2016 and 2017	NA, since the options were granted on April 12, 2017																		
Weighted-average exercise prices and weighted-average fair values of options will be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock for Fiscals 2015, 2016 and 2017	Weighted-average exercise price of options granted during the whole year whose exercise price is less than market price on the date of grant: 451.04 Weighted average fair value of options granted during the year whose exercise price is less than market price on the date of grant: 268.77																		
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	The fair value has been calculated using the Black Scholes Option Pricing Model <table><tr><th>Variables</th><th>Weighted Average</th></tr><tr><td>Risk Free Interest Rate</td><td>6.91%</td></tr><tr><td>Expected life (in years)</td><td>5.50</td></tr><tr><td>Expected volatility</td><td>20.56%</td></tr><tr><td>Expected dividend yield</td><td>1.00%</td></tr><tr><td>Price of the underlying share in the market at the time of the option grant</td><td>601.38</td></tr></table>	Variables	Weighted Average	Risk Free Interest Rate	6.91%	Expected life (in years)	5.50	Expected volatility	20.56%	Expected dividend yield	1.00%	Price of the underlying share in the market at the time of the option grant	601.38						
Variables	Weighted Average																		
Risk Free Interest Rate	6.91%																		
Expected life (in years)	5.50																		
Expected volatility	20.56%																		
Expected dividend yield	1.00%																		
Price of the underlying share in the market at the time of the option grant	601.38																		
Vesting schedule	The options shall vest over a period of five years with 20% of the options vesting each year from the date of the grant in the following manner: <table><tr><th>Number of options</th><th>First Year</th><th>Second Year</th><th>Third Year</th><th>Fourth Year</th><th>Fifth Year</th></tr><tr><td>391,599</td><td>20%</td><td>20%</td><td>20%</td><td>20%</td><td>20%</td></tr><tr><td></td><td>Vesting Date: April 12, 2018</td><td>Vesting Date: April 12, 2019</td><td>Vesting Date: April 12, 2020</td><td>Vesting Date: April 12, 2021</td><td>Vesting Date: April 12, 2022</td></tr></table>	Number of options	First Year	Second Year	Third Year	Fourth Year	Fifth Year	391,599	20%	20%	20%	20%	20%		Vesting Date: April 12, 2018	Vesting Date: April 12, 2019	Vesting Date: April 12, 2020	Vesting Date: April 12, 2021	Vesting Date: April 12, 2022
Number of options	First Year	Second Year	Third Year	Fourth Year	Fifth Year														
391,599	20%	20%	20%	20%	20%														
	Vesting Date: April 12, 2018	Vesting Date: April 12, 2019	Vesting Date: April 12, 2020	Vesting Date: April 12, 2021	Vesting Date: April 12, 2022														
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	NA, since the options were granted on April 12, 2017																		
Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options granted under the Eris ESOP within three months after the listing of Equity Shares pursuant to the Offer	Nil																		
Quantum of Equity Shares arising out of or allotted under the Eris ESOP intended to be sold within three months after the date of listing, by Directors, senior managerial personnel and employees having Equity Shares issued under the Eris ESOP amounting to more than 1% of the issued capital of our Company	Nil																		

5. History of Build up, Contribution and Lock-in of Promoters' Shareholding

(a) Build-up of Promoters' shareholding in our Company

As on the date of this Prospectus, our Promoters hold, in aggregate, 81,373,000 Equity Shares, which constitutes 59.18% of the issued, subscribed and paid-up Equity Share capital of our Company. Of such Equity Shares, our Promoters are offering to sell an aggregate of up to 4,468,500 Equity Shares as part of the Offer for Sale, which constitutes 3.25% of our paid-up Equity Share Capital.

Set forth below is the build-up of the equity shareholding of our Promoters, since incorporation of our Company.

Date of allotment/transfer*	Number of Equity Shares	Face value (₹)	Issue/purchase/selling price per equity share (₹)	Consideration	Nature of acquisition/transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
(A) Mr. Amit Indubhushan Bakshi							
August 31, 2007*	2,000	10	10	Cash	Acquired from Mr. Himanshu Jayantbhai Shah	0.01	0.01
March 31, 2009	20,000	10	N.A.	N.A.	Bonus Issue	0.15	0.15
August 21, 2010	27,500	10	10	Cash	Further Issue	0.20	0.20
June 23, 2011*	3,025	10	10	Cash	Acquired from Mr. Bhikhabhai Chimanlal Shah	0.02	0.02
June 23, 2011*	3,025	10	10	Cash	Acquired from Mr. Rakeshbhai Bhikhabhai Shah	0.02	0.02
August 29, 2011	(4,029)	10	87,271.25	Cash	Transfer to Botticelli	0.03	0.03
September 14, 2015	3,438	10	105,439.21**	Cash	Acquired from Mr. Bhikhabhai Chimanlal Shah	0.03	0.03
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 54,959 equity shares of ₹ 10 each held by Mr. Amit Indubhushan Bakshi were split into 549,590 equity shares of ₹ 1 each, which is 0.40% of the pre and post-Offer Equity Share capital of the Company.							
September 6, 2016	54,409,410	1	N.A.	N.A.	Bonus Issue	39.57	39.57
Total (A)	54,959,000	1				39.97	39.97
(B) Mr. Himanshu Jayantbhai Shah							
January 25, 2007	5,000	10	10	Cash	Subscription to MoA	0.04	0.04
August 31, 2007*	(2,000)	10	10	Cash	Transfer to Mr. Amit Indubhushan Bakshi	0.01	0.01
August 31, 2007*	(1,000)	10	10	Cash	Transfer to Mr. Rajendrakumar Rambhai Patel	0.01	0.01
August 31, 2007*	(1,000)	10	10	Cash	Transfer to Mr. Inderjeet Singh Negi	0.01	0.01
March 31, 2009	10,000	10	N.A.	N.A.	Bonus Issue	0.07	0.07
August 29, 2011	(4,028)	10	87,271.25	Cash	Transfer to Botticelli	0.03	0.03
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 6,972 equity shares of ₹ 10 each held by Mr. Himanshu Jayantbhai Shah were split into 69,720 Equity Shares of ₹ 1 each, which is 0.05% of the pre and post-Offer Equity Share capital of the Company.							

Date of allotment/transfer*	Number of Equity Shares	Face value (₹)	Issue/purchase/selling price per equity share (₹)	Consideration	Nature of acquisition/transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)
September 6, 2016	6,902,280	1	N.A.	N.A.	Bonus Issue	5.02	5.02
Total (B)	6,972,000	1				5.07	5.07
(C) Mr. Inderjeet Singh Negi							
August 31, 2007*	1,000	10	10	Cash	Acquired from Mr. Himanshu Jayantbhai Shah	0.01	0.01
March 31, 2009	10,000	10	N.A.	N.A.	Bonus Issue	0.07	0.07
August 29, 2011	(4,029)	10	87,271.25	Cash	Transferred to Botticelli	0.03	0.03
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 6,971 equity shares of ₹ 10 each held by Mr. Inderjeet Singh Negi were split into 69,710 Equity Shares of ₹ 1 each, which is 0.05% of the pre and post-Offer Equity Share capital of the Company.							
September 6, 2016	6,901,290	1	N.A.	N.A.	Bonus Issue	5.02	5.02
Total (C)	6,971,000	1				5.07	5.07
(D) Mr. Kaushal Kamlesh Shah							
August 31, 2007*	600	10	10	Cash	Acquired from Mr. Bhikhabhai Chimanlal Shah	Negligible	Negligible
March 31, 2009	6,000	10	N.A.	N.A.	Bonus Issue	0.04	0.04
August 29, 2011	(1,100)	10	87,271.25	Cash	Transfer to Botticelli	0.01	0.01
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 5,500 equity shares of ₹ 10 each held by Mr. Kaushal Kamlesh Shah were split into 55,000 Equity Shares of ₹ 1 each, which is 0.04% of the pre and post-Offer Equity Share capital of the Company.							
September 6, 2016	5,445,000	1	N.A.	N.A.	Bonus Issue	3.96	3.96
Total (D)	5,500,000	1				4.00	4.00
(E) Mr. Rajendrakumar Rambhai Patel							
August 31, 2007*	1,000	10	10	Cash	Acquired from Mr. Himanshu Jayantbhai Shah	0.01	0.01
March 31, 2009	10,000	10	N.A.	N.A.	Bonus Issue	0.07	0.07
August 29, 2011	(4,029)	10	87,271.25	Cash	Transferred to Botticelli	0.03	0.03
Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of ₹ 10 each was split into ten equity shares of ₹ 1 each, therefore 6,971 equity shares of ₹ 10 each held by Mr. Rajendrakumar Rambhai Patel were split into 69,710 Equity Shares of ₹ 1 each, which is 0.05% of the pre and post-Offer Equity Share capital of the Company.							
September 6, 2016	6,901,290	1	N.A.	N.A.	Bonus Issue	5.02	5.02
Total (E)	6,971,000	1				5.07	5.07
Grand Total (A+B+C+D+E)	81,373,000	1				59.18	59.18

* As per the statutory register of share transfers maintained by our Company, as share transfer forms pertaining to this transfer is not available with us.

** We have been unable to trace the delivery instruction slip for this transfer and the acquisition price and consideration are based on the relevant bank statements.

Our Promoters have confirmed to the Company and the BRLMs that the acquisition of the Equity Shares forming part of the Promoters' Contribution have been financed from personal funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by for this purpose. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. As on the date of this Prospectus, none of the Equity Shares held by our Promoters are pledged.

(b) Shareholding of our Promoters and Promoter Group

Set forth below is the shareholding of our Promoters as on the date of this Prospectus. Other than our Promoters, none of the other members of our Promoter Group hold Equity Shares in our Company.

Name of shareholder	Pre-Offer		Post-Offer*	
	Number of Equity Shares	Percentage of Equity Share capital (%)	Number of Equity Shares	Percentage of Equity Share capital (%)
(A) Promoters				
Mr. Amit Indubhushan Bakshi	54,959,000	39.97	54,271,500	39.47
Mr. Himanshu Jayantbhai Shah	6,972,000	5.07	6,284,500	4.57
Mr. Inderjeet Singh Negi	6,971,000	5.07	5,939,833	4.32
Mr. Kaushal Kamlesh Shah	5,500,000	4.00	4,468,833	3.25
Mr. Rajendrakumar Rambhai Patel	6,971,000	5.07	5,939,834	4.32
Total	81,373,000	59.18	76,904,500	55.93

* Assuming that all the Equity Shares offered by the Promoters as part of the Offer for Sale are transferred pursuant to this Offer.

All Equity Shares held by our Promoters are in dematerialized form as on the date of this Prospectus.

(c) Details of Promoters' contribution and lock-in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Minimum Promoters' Contribution**"). All Equity Shares held by our Promoters are eligible for inclusion in the Minimum Promoters' Contribution, in terms of Regulation 33 of the SEBI ICDR Regulations.

Set forth below are the details of the Equity Shares that will be locked up as Minimum Promoters' Contribution for a period of three years from the date of Allotment of Equity Shares in the Offer.

Name of the Promoter	No. of Equity Shares to be locked-in	Date of allotment/ acquisition	Allotment/ acquisition price	Nature of transaction	Face value (₹)	% of pre-Offer Equity Share capital	% of the fully diluted post- Offer Equity Share capital
Mr. Amit Indubhushan Bakshi	19,406,748	September 6, 2016	N.A.	Allotment of bonus shares	1	14.11	14.11
Mr. Himanshu Jayantbhai Shah	2,247,251	September 6, 2016	N.A.	Allotment of bonus shares	1	1.63	1.63
Mr. Inderjeet Singh Negi	2,124,003	September 6, 2016	N.A.	Allotment of bonus shares	1	1.55	1.55
Mr. Rajendrakumar Rambhai Patel	2,124,004	September 6, 2016	N.A.	Allotment of bonus shares	1	1.55	1.55
Mr. Kaushal Kamlesh Shah	1,597,994	September 6, 2016	N.A.	Allotment of bonus shares	1	1.16	1.16
Total	27,500,000					20.00	20.00

For details on the build-up of the Equity Share capital held by our Promoters, see "**- Build-up of our Promoters' shareholding in our Company**" on page 72.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as 'promoters' under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard we confirm that:

- (i) the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the three years preceding the date of this Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (ii) the Minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) our Company has not been formed by conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and
- (iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge.

(d) Details of Equity Shares locked-in for one year

In terms of Regulation 37 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital will be locked-in for a period of one year from the date of Allotment in the Offer, except (a) the Minimum Promoters' Contribution which shall be locked in as above; (b) any Equity Shares held by the employees of our Company (who continue to be employees of our Company as on the date of Allotment) which may be allotted to them under the Eris ESOP prior to the Offer; and (c) Equity Shares which are successfully transferred as part of the Offer for Sale.

Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked in as required under the SEBI ICDR Regulations.

(e) Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(f) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in for one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

Further, in terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

6. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII) + (X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized from (XIV)
								No. of Voting Rights			Total as a % of total voting rights			No.	As a % of total shares held (b)	No.	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	5	81,373,000	0	0	81,373,000	59.18	81,373,000	-	81,373,000	59.18	0	59.18	0	0	0	0	81,373,000
(B)	Public	4	56,127,000	0	0	56,127,000	40.82	56,127,000	-	56,127,000	40.82	0	40.82	0	0	0	0	56,127,000
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0
(1)	Shares underlying Custodian/Depository Receipts	0	0	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0
(2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	-	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	9	137,500,000	0	0	137,500,000	100	137,500,000	-	137,500,000	100	0	100	0	0	0	0	137,500,000

7. The BRLMs and their respective associates do not hold any Equity Shares as on the date of this Prospectus. The BRLMs and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

8. Shareholding of our Directors and Key Managerial Personnel in our Company

Set forth below is the shareholding of our Directors and Key Managerial Personnel in our Company, as on the date of this Prospectus.

Name	No. of Equity Shares	% of pre-Offer Equity Share capital
Shareholding of Directors		
Mr. Amit Indubhushan Bakshi	54,959,000	39.97
Mr. Himanshu Jayantbhai Shah	6,972,000	5.07
Mr. Inderjeet Singh Negi	6,971,000	5.07
Shareholding of Key Managerial Personnel		
Mr. Rajendrakumar Rambhai Patel	6,971,000	5.07
Mr. Kaushal Kamlesh Shah	5,500,000	4.00

Additionally, our Key Managerial Personnel, Mr. Sachin Shah and Mr. Milind Talegaonkar have been granted 16,628 and 6,651 options, respectively under the Eris ESOP, as on the date of this Prospectus.

9. Shareholding of the Selling Shareholders in our Company

Name of shareholder	Number of Equity Shares Offered for sale in the Offer	Percentage of Equity Share Capital (%)	Pre-Offer		Post-Offer*	
			Number of Equity Shares	Percentage of Equity Share capital (%)	Number of Equity Shares	Percentage of Equity Share capital (%)
Mr. Amit Indubhushan Bakshi	687,500	0.50	54,959,000	39.97	54,271,500	39.47
Mr. Himanshu Jayantbhai Shah	687,500	0.50	6,972,000	5.07	6,284,500	4.57
Mr. Inderjeet Singh Negi	1,031,167	0.75	6,971,000	5.07	5,939,833	4.32
Mr. Kaushal Kamlesh Shah	1,031,167	0.75	5,500,000	4.00	4,468,833	3.25
Mr. Rajendrakumar Rambhai Patel	1,031,166	0.75	6,971,000	5.07	5,939,834	4.32
Botticelli	22,344,000	16.25	22,344,000	16.25	Nil	Nil
Mr. Bhikhabhai Chimanlal Shah	1,375,000	1.00	12,429,000	9.04	11,054,000	8.04
Mr. Hetal Rasiklal Shah	687,500	0.50	5,500,000	4.00	4,812,500	3.50
Total	28,875,000	21.00	121,646,000	88.47	92,771,000	67.47

* Assuming that all the Equity Shares offered by the Selling Shareholders as part of the Offer for Sale are transferred pursuant to this Offer.

10. As on the date of this Prospectus, our Company has nine Equity Shareholders.

11. 10 largest shareholders of our Company

- (a) Our Company has nine shareholders as on the date of this Prospectus and ten days prior to the date of this Prospectus and the number of Equity Shares held by them are as set forth below.

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Amit Indubhushan Bakshi	54,959,000	39.97
2.	Bhikhabhai Chimanlal Shah	12,429,000	9.04
3.	Rakeshbhai Bhikhabhai Shah	15,854,000	11.53
4.	Botticelli	22,344,000	16.25
5.	Himanshu Jayantbhai Shah	6,972,000	5.07
6.	Inderjeet Singh Negi	6,971,000	5.07
7.	Rajendrakumar Rambhai Patel	6,971,000	5.07
8.	Kaushal Kamlesh Shah	5,500,000	4.00
9.	Hetal Rasiklal Shah	5,500,000	4.00
	Total	137,500,000	100.00

- (b) Our Company had nine equity shareholders two years prior to the date of this Prospectus (i.e., June 21, 2015), and the number of equity shares held by them are as set forth below.

S. No.	Shareholder	Number of equity shares (of face value of ₹ 10 each) held	Percentage of Equity Share capital (%)
1.	Amit Indubhushan Bakshi	51,521	37.47
2.	Bhikhabhai Chimanlal Shah	15,867	11.54
3.	Rakeshbhai Bhikhabhai Shah	15,854	11.53
4.	Botticelli	22,344	16.25
5.	Himanshu Jayantbhai Shah	6,972	5.07
6.	Inderjeet Singh Negi	6,971	5.07
7.	Rajendrakumar Rambhai Patel	6,971	5.07
8.	Kaushal Kamlesh Shah	5,500	4.00
9.	Hetal Rasiklal Shah	5,500	4.00
	Total	137,500	100.00

For details relating to the cost of acquisition of Equity Shares by our Promoters, see the “**Risk Factors – Prominent Notes**” on page 36.

12. Of the Offer of up to 28,875,000 Equity Shares, 150,000 Equity Shares (aggregating to 0.11% of the post-Offer Equity Share capital of our Company) were reserved for allocation to Eligible Employees on a proportionate basis, subject to valid Bids being received at or above the Offer Price, less the Employee Discount. Only Eligible Employees were eligible to apply in this Offer under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000 each. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public.
13. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives have sold or purchased, or financed the sale or purchase of, Equity Shares by any other person, other than in the normal course of business of the financing entity, during the six months immediately preceding the date of the Draft Red Herring Prospectus.
14. Our Company, the Selling Shareholders, our Promoters, members of our Promoter Group, our Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Offer from any person.
15. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Directors, Promoters or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise shall be offered or paid either by our Company or our Promoters to

any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.

16. As on the date of this Prospectus, there are no Equity Shares held by the members of our Promoter Group. None of the Equity Shares being offered through the Offer are pledged or otherwise encumbered.
17. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription is permitted from the Employee Reservation Portion to the Net Offer.
18. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus.
19. Except for stock options granted to eligible employees pursuant to the Eris ESOP, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus. For details, see “– **Employee Stock Option Scheme**” on page 70.
20. As on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
21. Except for any Equity Shares issued pursuant to exercise of options granted pursuant to the Eris ESOP, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
22. Except for any issue of Equity Shares pursuant to exercise of options granted pursuant to the Eris ESOP, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity through issue of further Equity Shares.
23. Except for participation by our Promoters in the Offer for Sale as Selling Shareholders, none of our Promoters or the members of our Promoter Group will participate in the Offer.
24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
25. There has been no financing arrangement whereby our Promoters, members of our Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.
26. Except for Mutual Funds sponsored by entities related to the BRLMs, Syndicate Members and any persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion.
27. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and the Promoter Group during the period between the date of registering this Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

28. Our Company has not revalued its assets since incorporation.
29. A Bidder cannot make a Bid exceeding the number of Equity Shares offered through this Offer and subject to the investment limits or maximum number of Equity Shares that can be held by them under applicable law. For more information see “***Offer Procedure***” on page 292.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and for the sale of up to 28,875,000 Equity Shares by the Selling Shareholders. Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity to our shareholders. Listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer and all the proceeds will go to the Selling Shareholders, in proportion to the Equity Shares offered by the respective Selling Shareholders in the Offer for Sale. For further details, see the section titled “**The Offer**” on page 57.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ 795.09 million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to Registered Brokers, CRTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated Offer expenses are as follows:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer Size*
1.	Fees payable to the BRLMs (including brokerage and selling commission)	360.42	45.33	2.07
2.	Selling commission and processing fees for SCSBs ⁽²⁾⁽⁴⁾	13.50	1.70	0.08
3.	Brokerage, selling commission and bidding charges for the members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs ⁽¹⁾⁽³⁾	8.63	1.08	0.05
4.	Fees payable to the Registrar to the Offer	0.20	0.03	0.00
5.	Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsels	252.14	31.71	1.45
6.	Miscellaneous	160.20	20.15	0.92
Total Estimated Offer Expenses		795.09	100	4.57

(1) Selling commission on the portion for Retail Individual Investors and the portion for Non-Institutional Investors which are procured by members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable service tax)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable service tax)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Bidding Charges: ₹ 10/- per valid Bid cum Application Form (plus applicable service tax) procured by the Syndicate (including their sub-syndicate members)

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by them would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable service tax)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable service tax)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No additional bidding charges shall be payable by to the SCSBs on the applications directly procured by them.

(3) Processing fees /uploading charges payable to the Registered Brokers, CRTAs and CDPs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers/ CRTAs / CDPs and submitted to SCSBs for processing, would be as follows:

Portion for Retail Individual Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)
Portion for Non-Institutional Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)

(4) Processing fees payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by the members of the Syndicate/sub-syndicate members/Registered Brokers/ CRTAs / CDPs and submitted to SCSBs for blocking, would be as follows:

Portion for Retail Individual Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)

Portion for Non-Institutional Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)

Important Note:

1. *The brokerage / selling commission payable to the Syndicate/ sub-syndicate members will be determined on the basis of the Bid cum Application Form number/ series, provided that the application is also bidded by the respective Syndicate/ sub-syndicate member. For clarification, if a Bid cum Application Form with number / series of a Syndicate/ sub-syndicate member, is bidded by an SCSB, the brokerage/ selling commission will be payable to the SCSB and not to the Syndicate/ sub-syndicate member.*
2. *The brokerage/ selling commission payable to the SCSBs, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.*
3. *The bidding charges payable to the Syndicate/ sub-syndicate members, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.*
4. *Payment of brokerage/ selling commission payable to the sub-brokers/ agents of the sub-syndicate members needs to be handled directly by the sub-syndicate members, and the necessary records for the same shall be maintained by the respective sub-syndicate member.*

Other than listing fees, which will be borne by the Company, all costs, fees and expenses with respect to the Offer will be shared between the Selling Shareholders, in proportion to their respective Offered Shares sold pursuant to the Offer, upon successful completion of the Offer. Upon the successful completion of the Offer, each of the Selling Shareholders agree that they shall severally and not jointly reimburse our Company, on a pro-rata basis, in proportion to their respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders.

Monitoring of Utilization of Funds

As the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIS FOR OFFER PRICE

The Offer Price was determined by our Company and Investor Selling Shareholder, in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 1 each and the Offer Price is 603 times the face value.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Offer Price are:

1. Focus on branded prescription based pharmaceutical products catering to lifestyle related disorders;
2. One of the fastest growing companies in certain high growth therapeutic areas with a portfolio of complementary products;
3. Portfolio of high volume and leading brands;
4. Focus on Metro Cities and Class 1 towns in India which have higher incidence of lifestyle disorders and concentration of specialists and super specialists;
5. Multi-faceted product selection and engagement model leading to growth in prescription for our products; and
6. Strong sales, marketing and distribution capabilities.

For further details, see “**Our Business**” and “**Risk Factors**” on pages 105 and 16, respectively.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Consolidated Financial Statements and Restated Standalone Financial Statements prepared in accordance with Indian GAAP, the Companies Act, 1956 and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations. For details, see section “**Financial Statements**” on page 156.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings/Loss per Share (“EPS”)

As per our Restated Standalone Financial Statements:

Year/Period ended	Basic & Diluted EPS (₹)	Weight
March 31, 2017	17.64	3
March 31, 2016	10.03	2
March 31, 2015	6.06	1
Weighted Average	13.17	

As per our Restated Consolidated Financial Statements:

Year/Period ended	Basic & Diluted EPS (₹)	Weight
March 31, 2017	17.61	3
March 31, 2016	9.71	2
March 31, 2015	6.49	1
Weighted Average	13.12	

Note:

1. Earnings per share calculations are done in accordance with Accounting Standard 20 ‘Earnings Per Share’ issued by the Institute of Chartered Accountants of India.
2. The face value of each Equity Share is ₹1.
3. Earnings per share = Net profit attributable to equity shareholders / Weighted average number of equity shares (including Split and Bonus Shares) outstanding during the year / period
4. As per the requirements of AS 20 Earnings Per Share, the weighted average number of equity shares considered for calculation of Earnings per Share includes the bonus shares issued and share split and the

Earnings per Share for all comparative periods has been presented giving the effect of this issue of bonus shares and share split.

2. **Price Earning Ratio (P/E) in relation to the Offer Price of ₹ 603 per Equity Share of the face value of ₹ 1 each**

Particulars	As per our Restated Standalone Financial Statements	As per our Restated Consolidated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2017 at the Offer Price:	34.18	34.24
P/E ratio based on Diluted EPS for the financial year ended March 31, 2017 at the Offer Price:	34.18	34.24

Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 61.51, the lowest P/E ratio is 23.48, the average P/E ratio is 37.26.

Note - The highest and lowest Industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see " - Comparison with listed industry peers" hereunder.

3. **Return on Net Worth (RoNW)**

Return on net worth as per Restated Standalone Financial Statements:

Period/Year ended	RONW (%)	Weight
March 31, 2017	44.27	3
March 31, 2016	45.18	2
March 31, 2015	31.16	1
Weighted Average	42.39	

Return on net worth as per Restated Consolidated Financial Statements:

Period/Year ended	RONW (%)	Weight
March 31, 2017	44.84	3
March 31, 2016	44.64	2
March 31, 2015	33.59	1
Weighted Average	42.90	

$$\text{RoNW (\%)} = \frac{\text{Net profit/(loss) after tax}}{\text{Net worth excluding revaluation reserve at the end of the year / period}}$$

4. **Minimum Return on Total Net Worth after Offer needed to maintain pre-Offer EPS for the financial year ended March 31, 2017**

There will be no change in the Net Worth post Offer as the Offer is by way of Offer for Sale by the Selling Shareholders.

5. **Net Asset Value (NAV) per Equity Share**

NAV	Standalone (₹)	Consolidated (₹)
As on March 31, 2017	39.85	39.27
Offer Price		603

Notes:

- Net Asset Value per Equity Share represents Net worth excluding revaluation reserve and preference share capital at the end of the year or period / Number of equity shares outstanding at the end of the year or period.
- The NAV shown above are after taking into account the effect of share split and issue of bonus shares after March 31, 2016.

6. Comparison with listed industry peers

Following is the comparison with our peer group companies listed in India and with large portfolio of products in Indian branded formulation market:

Name of the company	Total Revenue (₹ in million)	Face Value per Equity Share (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%) ⁽²⁾	Net Asset Value/ Share (₹)
Company*	7,440.69	1	34.24	17.61 ⁽¹⁾	44.84	39.27 ⁽³⁾
Peer Group						
GlaxoSmithKline Pharmaceuticals Limited [^]	30,728.10	10	61.51 ⁽⁴⁾	39.8	16.78	236.93 ⁽⁵⁾
Abbott India Limited [#]	29,963.3	10	31.41 ⁽⁶⁾	130.19	19.95	652.70 ⁽³⁾
Sanofi India Limited ^{&}	24,394	10	31.65 ⁽⁷⁾	129.13 ⁽⁸⁾	17.11	753.62 ⁽³⁾
Pfizer Limited [#]	21,430.9	10	23.48 ⁽⁹⁾	73.61	13.92	528.74 ⁽³⁾

* Based on Restated Consolidated Financial Statements as on and for fiscal period ended March 31, 2017

[^] Based on consolidated IND (AS) audited financials filed with stock exchanges for fiscal period ended March 31, 2017

[#] Based on IND (AS) audited financials filed with stock exchanges for fiscal period ended March 31, 2017

[&] Based on IND (AS) unaudited financials filed with stock exchanges for fiscal period ended December 31, 2016

Notes:

(1) Basic Earnings per share = Net profit attributable to equity shareholders, as restated / Weighted average number of equity shares (including split and bonus shares) outstanding during the year / period

(2) RoNW (%) = Net profit/(loss) after tax, as restated / Net worth excluding revaluation reserve capital at the end of the year or period

(3) Net Asset Value per Equity Share represents Net worth at the end of the year or period excluding revaluation reserve and preference share capital / Total number of equity shares outstanding at the end of year.

(4) P/E figures for the peer is computed based on closing market price as on May 19, 2017, as ₹ 2,448.10 available at NSE, (available at www.nseindia.com) divided by Basic EPS for Fiscal 2017 (on consolidated basis) as ₹ 39.80 based on the audited financial results for Fiscal 2017 .

(5) Net Asset Value per Equity Share represents Net worth at the end of the year / Total number of equity shares outstanding at the end of year excluding shares in abeyance

(6) P/E figures for the peer is computed based on closing market price as on May 19, 2017, as ₹ 4,219.10 available at NSE, (available at www.nseindia.com) divided by Basic EPS for Fiscal 2017 as ₹ 130.19 based on the audited financial results for Fiscal 2017.

(7) P/E figures for the peer is computed based on closing market price as on May 19, 2017, as ₹ 4,086.55 available at NSE, (available at www.nseindia.com) divided by Basic EPS for period ended December 31, 2016 as ₹ 129.13 based on the latest unaudited financial results filed with stock exchanges for period ended December 31, 2016.

(8) Basic Earnings per share = Net profit attributable to equity shareholders after exceptional items / Weighted average number of equity shares outstanding during the year / period.

(9) P/E figures for the peer is computed based on closing market price as on May 19, 2017, as ₹ 1,728.35 available at NSE, (available at www.nseindia.com) divided by Basic EPS for Fiscal 2017 as ₹ 73.61 based on the audited financial results for Fiscal 2017.

The Offer Price of ₹ 603 and Employee Discount of ₹ 60 have been determined by our Company and the Investor Selling Shareholder, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, Investor Selling Shareholder, BRLMs believe that the Offer Price of ₹ 603 and the Employee Discount of ₹ 60 are justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “**Risk Factors**”, “**Our Business**” and

“**Financial Statements**” on pages 16, 105 and 156 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

May 23, 2017

To

The Board of Directors

Eris Lifesciences Limited

21 Newyork Tower, Opp. Muktidham Temple

SG Road, Thaltej

Ahmedabad 380 054

Gujarat, India

Sub: Certification of possible Special Tax Benefits available to Eris Lifesciences Limited and its shareholders

Dear Sirs,

We refer to the proposed offer for sale of equity shares (“**Equity Shares**”) of Eris Lifesciences Limited (the “**Company**”, and such offering, the “**Offer**”). We enclose herewith (as Annexure) the statement showing the current position of special tax benefits available to the Company and its shareholders as per the provisions of the Income-tax Act 1961, as amended, and indirect tax laws presently in force in India for inclusion in the Red Herring Prospectus (“**RHP**”) and Prospectus (“**Offer Documents**”) for the proposed Offer.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961 and indirect tax laws presently in force in India. Hence the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. On account of introduction of Goods and Service Tax (“**GST**”), certain area based indirect tax benefits presently enjoyed by the Company may undergo change however the nature and quantum of such change cannot be quantified at this stage in absence of requisite clarity from the Government. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the Offer which the Company intends to file and/or submit to the Securities and Exchange Board of India, Registrar of Companies and stock exchanges, provided that the below statement of limitation is included in the offer document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Offer relying on the statement.

This statement has been prepared solely in connection with the Offer under the Securities and Exchange Board of

India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm Registration Number: 117366W/W - 100018

Yogesh G Shah

Partner

Membership No. 40260

Ahmedabad

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ERIS LIFESCIENCES LIMITED AND ITS SHAREHOLDERS

The information provided below sets out the possible direct tax and indirect tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the equity shares of the Company (“**Equity Shares**”), under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the offering of Equity Shares by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.

I. DIRECT TAX BENEFITS AVAILABLE UNDER INCOME TAX ACT, 1961

A. Special tax benefits available to the Company

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of 100% of the profits and gains derived from the specified business from an undertaking located in the North-Eastern State of Assam at Guwahati under Section 80IE of the Act for ten consecutive assessment years commencing with the assessment year relevant to the previous year in which the undertaking begins to manufacture or produce articles provided such manufacture commences before 31st March 2017.

We have been given to understand that the company has begun manufacture on 5th May 2014 and is eligible to claim deduction beginning with Assessment year 2015-16 for ten consecutive assessment years.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders under the provisions of the Income Tax Act, 1961.

II. TAX BENEFITS AVAILED BY ERIS LIFESCIENCES LIMITED (‘ERIS’) UNDER INDIRECT TAX LAWS:

Outlined below are the possible / significant benefits available to the Company or to the major products dealt by Company as per the current Indirect Tax laws in India as on the date of certificate.

Taking into consideration the nature of business of the company, as explained to us by the representatives / management of the Company and on the basis of the information and explanations provided to us, we understand that the company may enjoy the following benefits/exemptions available under following Indirect Tax legislations subject to fulfilment of conditions as specified in the relevant Rules and Notifications applicable:

A. Under the Central Excise Act, 1944

We are given to understand that following exemptions from payment of Excise Duty are availed by Eris at their

facility located in Guwahati, Assam.

- i. Based on Notification # 20/2007 dated April 25, 2007 as amended from time to time, Eris is claiming area based exemption to the extent of 56% of duty payable on value addition made at above referred industrial unit.
- ii. Based on Notification # 02/2011-C.E. dated March 1, 2011 as amended from time to time, Eris is availing exemption from payment of Excise Duty in excess of 6%.

B. Under Assam Value Added Tax Act, 2003 and the Central Sales Tax Act, 1956

We are given to understand that Eris is claiming remission benefit as per Assam Industries (Tax Exemption) Order, 2009.

NOTES:

1. The above benefits are as per the current tax laws.
2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The following information includes data provided by IMS and SMSRC as well as extracts from publicly available information, industry reports, data and statistics and has been extracted from official sources and other sources.

The data may have been reclassified by us for the purpose of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information and estimates as of specific dates and may no longer be current. Such information, data and estimates may be approximations or use rounded numbers.

All references to years in the section below are to Fiscals (period during April-March) unless specified otherwise.

In this Prospectus, we have included certain sales, market share and other financial information relating to the pharmaceutical industry and our operations, products and therapeutic areas that is sourced from IMS, a healthcare information and consulting service provider. IMS computes revenues for the sales of pharmaceutical products based on their research on sales of products in certain pharmaceutical markets and in relation to specific geographic areas. The methodology for computation of revenues by IMS, including for our products, is different from the methodology we adopt for the recognition of revenue from the sales of our products under Indian GAAP, reflected in the Restated Financial Statements included in this Prospectus. Accordingly, the sales, market share and other financial data sourced to IMS may not accurately reflect our revenues, results of operations and financial results for the products/therapeutic areas covered.

We have classified and presented certain sales, market share and other financial information sourced from IMS, according to 'mother brand groups'. A mother brand includes all brand extensions and combinations. A 'mother brand group' includes a mother brand together with other brands using the same pharmaceutical molecules as brand extensions and combinations in the mother brand.

The Global Pharmaceuticals Industry

The table below sets out the top 20 international pharmaceuticals markets, as per IMS, as of calendar years 2010 and 2015 and projections for calendar year 2020, in local currency terms:

Rank	2010	Sales (LC\$ bn)	2015	Sales (LC\$ bn)	2020	Sales (LC\$ bn)
1	USA	319.5	USA	434.3	USA	612.3
2	Japan	76.0	China (+1)	110.7	China (+1)	153.9
3	China	56.8	Japan (-1)	89.1	Japan (-1)	91.9
4	Germany	35.9	Germany	43.4	Germany	50.8
5	France	32.8	France	32.7	Brazil (+5)	36.6
6	Italy	22.7	Italy	27.8	UK (+2)	36.1
7	Spain	18.9	UK (+1)	26.7	France (-2)	33.7
8	UK	18.9	Brazil (+2)	24.3	Italy (-2)	33.6
9	Canada	17.3	Spain (-2)	20.9	India (+4)	27.9
10	Brazil	13.5	Canada (-1)	19.1	Spain (-3)	23.7
11	South Korea	10.8	Venezuela (+3)	16.3	Canada (-2)	23.1
12	Australia	9.5	India (+1)	15.9	South Korea (-1)	15.6
13	India	8.6	South Korea (-2)	12.2	Russia (+3)	15.2
14	Venezuela	8.1	Russia (+2)	11.3	Australia (-2)	14.0
15	Mexico	7.4	Australia (-3)	11.0	Turkey (+7)	13.0
16	Russia	6.2	Mexico (-1)	8.9	Mexico (-1)	12.2
17	Poland	5.5	Argentina (+6)	6.7	Saudi Arabia (+9)	8.3
18	Netherlands	5.3	Turkey (+4)	6.6	Poland (-1)	7.8
19	Belgium	5.2	Poland (-2)	6.4	Argentina (+4)	7.3
20	Greece	5.0	Saudi Arabia (+6)	6.1	Switzerland (+1)	6.2

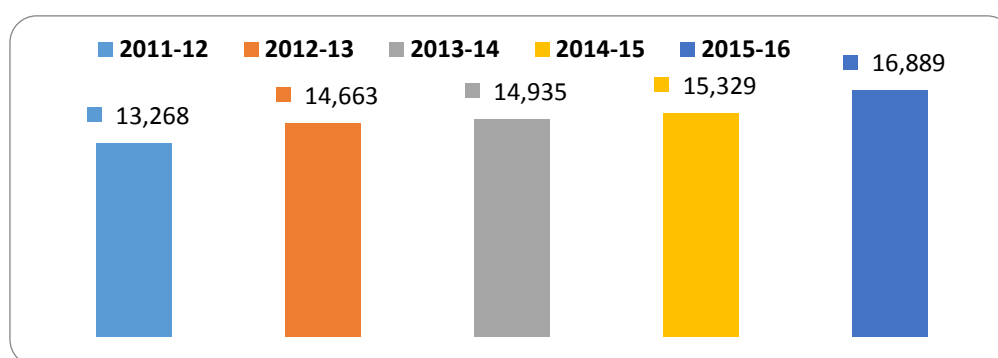
*LC\$ refers to local currency

Source : IMS Prognosis Global 2016-2020

The global pharmaceuticals market is estimated to grow at a CAGR of 5.6% between calendar years 2015 and 2020 (Source: *IMS Prognosis Global 2016-2020*). IMS has identified 21 ‘pharmerging’ markets, including China, India, Brazil and Russia, based on macroeconomic metrics and pharmaceuticals market forecasts. India is one of the largest contributors to the global pharmaceuticals market growth and is ranked third among the ‘pharmerging’ markets in terms of pharmaceuticals sales. According to IMS, pharmaceutical sales in ‘pharmerging’ markets are expected to grow at a CAGR of approximately 7.6% between calendar years 2015 and 2020, which is higher than major developed countries and rest of the world, which are forecasted to grow at a CAGR of approximately 5.5% and 2.6%, respectively, between the same periods. ‘Pharmerging’ markets are expected to increase their share in the global pharmaceuticals market sales growth from 25.1% in calendar year 2016 to 30.5% in calendar year 2020 (Source: *IMS Prognosis Global 2016-2020*).

The Indian Pharmaceuticals Markets

India is one of the largest pharmaceuticals markets in the world. Between Fiscals 2013 and 2017, the IPM revenues grew at a CAGR of 11.8% to reach ₹1,143.26 billion (Source: *IMS TSA MAT, March 2017*; *IMS TSA includes sales from authorized pharmaceuticals stockists to retailers and sales from sub-stockists, doctors and hospitals, but does not include the sales to institutions and tenders*), driven by favorable demographic and macro-economic trends, the rising prevalence of chronic diseases, increasing insurance spending and the under-penetration of medical infrastructure and talent. In addition to a large domestic formulations market, India has also emerged as a hub for exporting finished formulations, APIs and excipients to several countries globally. The table below illustrates the growth in India’s pharmaceutical exports between Fiscals 2012 and 2016:



Source: *Pharmexil Annual Reports, 2014-15 and 2015-16*

Overview of the Indian Pharmaceuticals Market

The IPM can be classified into acute and chronic categories. The acute category of the IPM comprises therapies intended for diseases of short duration and recent onset, including anti-infectives, gastro intestinal medication, vitamins and gynecology. The chronic category includes therapies intended for non-communicable diseases that are prolonged in duration. Some examples of chronic diseases include heart disease, diabetes, cancer and arthritis. The IPM is the 13th largest market globally in terms of value and third largest market globally in terms of volume (Source: Ministry of External Affairs, Government of India http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/347/1).

Key Characteristics of the IPM

The IPM is characterized by the following key factors:

- **Large out of pocket spend and low per capita health expenditure:** In 2014 India ranked 64th globally out of 218 countries, in terms of out of pocket expenditure, as a percentage of private expenditure on health. In 2014, per capita expenditure on health in India was US\$ 75, as against US\$ 420 in China, US\$ 99 in Indonesia, and US\$ 127 in Sri Lanka. (Source: *World Bank*, <http://wdi.worldbank.org/table/2.15>)
- **Branded generics:** Branded generics (off-patent drugs with a trade name) dominate the IPM, contributing to approximately 98% of retail sales in Fiscal 2017 (Source: *IMS TSA MAT, March 2017*). In Fiscal 2017, the IPM had 34,895 brands across all therapeutic areas and the top 300 brands accounted for 30.3% of the sales in the IPM. The top 100 brands accounted for 30.8% of the overall sales in the chronic category and for 20.7% of the overall sales in the acute category for Fiscal 2017. (Source: *IMS TSA MAT, March 2017*).

- **Prescriptions led:** A large portion of the IPM is prescription led, with the prescriber base comprising Registered Medical Practitioners. Hospitals and OTC account for a smaller portion of the IPM. A growth in the number of Registered Medical Practitioners combined with other drivers including a rise in the patient population, increasing affordability, and improving medical infrastructure and diagnostics has led to a growth in the number of prescriptions. (Source: IMS). The table below illustrates prescription share and value per prescription across doctor categories, in the IPM:

Specialty	value per prescription in ₹	
	IPM Prescription Share	IPM Value per Prescription
Diabetologists / Endocrinologists	1.1%	1,350.0
Cardiologists	2.4%	990.0
Gastroenterologists	1.1%	860.0
Neurologists/ Neurosurgeons	1.6%	820.0
Nephrologists / Urologists	1.0%	630.0
Others*	38.3%	280.0
Consulting Physicians	8.3%	560.0
Gynaecologists	7.7%	350.0
General Physicians (MBBS)	12.0%	200.0
General Physicians (Non MBBS)	26.5%	120.0
	100.0%	300.0

*Others includes: dentists, pediatricians, general surgeons, chest specialists, ENT specialists, ophthalmologists, oncologists, psychiatrists, orthopedics and dermatologists.

Source: IMS Analysis, IMS TSA and Medical Audit MAT September 2016

- **Rising prevalence of chronic diseases:** Rising demand for drugs that treat chronic illness, driven by a growing incidence of lifestyle disorders has led to an increase in the share of the chronic category in the IPM from 31.4% in Fiscal 2013 to 34.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017).
- **Metro cities and class 1 towns:** According to IMS, metro cities and class 1 towns in India accounted for 66.0% of the IPM revenues in Fiscal 2017. The contribution of metro cities and class 1 towns to revenues for Fiscal 2017 from the chronic category of the IPM were higher, at 72.0%, as compared to acute category, at 62.9%. Further, the chronic category has grown at a faster pace in metro cities and class 1 towns at 13.1% and 18.2%, respectively between Fiscals 2013 and 2017 while growth in the acute category in metro cities and class 1 towns has been 10.0% and 11.3%, respectively, for the same period. (Source: IMS TSA and Town Class MAT, March 2017).

The table below illustrates the revenue contribution of metro cities and class 1 towns to the IPM, broken down by certain key therapeutic areas:

Therapeutic Area	Revenues in ₹ million	
	IPM	IPM Revenue % from metro cities and class 1 towns
	Fiscal 2017	Fiscal 2017
Cardiovascular	134,031.7	70.1%
Anti-diabetics	100,586.26	73.1%
Vitamins	89,339.7	64.7%
Gastroenterology	122,262.2	61.0%

Source: IMS analysis; IMS TSA and Town Class MAT, March 2017

- **Domestic companies dominate market share:** Domestic companies accounted for a majority of the revenues in the IPM, with a share of 78.4% of revenues, for Fiscal 2017, compared to 75.6%, for Fiscal 2013 (Source: IMS TSA MAT, March 2017). Multi-national corporations had a lower share of the IPM, partly due to branded generics dominating the IPM accounting for approximately 98% of retail sales in Fiscal 2017 (Source: IMS TSA MAT, March 2017).

- **Fragmented supplier base:** The IPM is characterized by fragmentation in the supplier base, which consisted of 514 companies, in Fiscal 2017. However, the top 10 companies and the top 25 companies accounted for 42.9% and 70.5% of the IPM, respectively for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

Growth drivers for the IPM

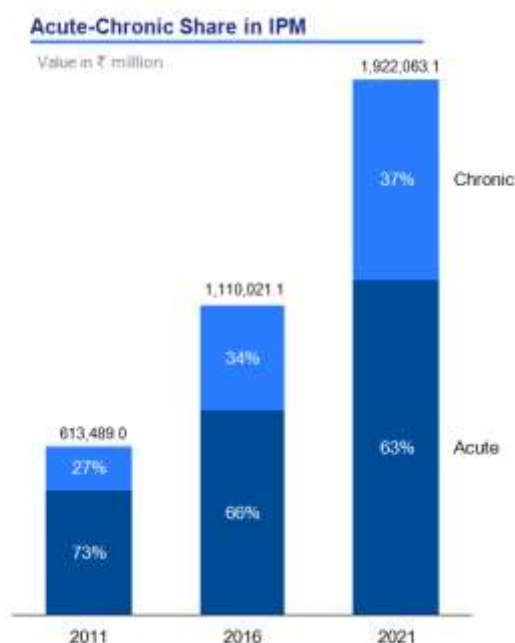
The IPM is expected to grow at a CAGR of 11.6% between calendar years 2016 and 2021 (Source: IMS Prognosis, 2016). The table below illustrates the growth drivers in the IPM, across contribution of volume growth, price growth and new introductions:

IPM	Revenue Growth (year on year)	Volume Growth (year on year)	Price Growth (year on year)	New Introductions Growth (year on year)
Fiscal 2015	13.4%	5.6%	1.7%	6.1%
Fiscal 2016	14.4%	5.8%	3.6%	5.0%
Fiscal 2017	9.1%	2.6%	1.6%	5.0%

(Source: IMS TSA MAT, March 2017)

The underlying growth in the IPM is expected to be a function of several factors, including:

- **Favorable demographics and macro-economic developments:** Overall healthcare spending in India is expected to rise due to a high real GDP growth rate, improving GDP per capita, rising affordability, improving healthcare infrastructure the increasing awareness of diseases and therapies, and a greater penetration of diagnostics. India also has a large population of an estimated 1.3 billion people, as of July 2016 with an estimated 77.1 million people over the age of 65. (Source: CIA World Fact Book (India)). Increasing life expectancy levels imply a larger addressable market for the IPM.
- **Rising prevalence of chronic diseases:** An increase in lifestyle disorders has increased the prevalence of chronic diseases, and consequently, has raised the share of the chronic category in the IPM from 31.4% in Fiscal 2013 to 34.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017). The chronic category is expected to grow at a CAGR of 13.9% between calendar years 2016 and 2020. (Source: IMS Prognosis, 2016). The tables below illustrate the relative share of the acute and chronic categories in the IPM together with estimated growth rates:



	CAGR (2011-16)	CAGR (2016-21)
ACUTE	10.4%	10.3%
CHRONIC	17.7%	13.9%
IPM	12.6%	11.6%

Source: IMS TSA MAT, March 2011 and March 2016; IMS Prognosis, 2016

- **Medical talent including specialists and super specialists:** To ensure availability of specialist doctors at the secondary and tertiary levels, the Indian Finance Minister in his union budget speech for Fiscal 2018 has announced the creation of additional 5,000 post-graduate seats every year. The number of post graduate medical seats presently available in India is approximately 27,000 (Source: Medical Council of India).

Progression of super-speciality courses in India:

	2011 ¹	2014 ²	2017 ³
Cardiology	236	269	315
Endocrinology	42	55	78
Neurology	139	172	219
Gastroenterology	85	102	118
Nephrology	72	95	120

⁽⁴⁾ National Health Profile 2011, Central Bureau of Health Intelligence

⁽⁵⁾ National Health Profile 2015, Central Bureau of Health Intelligence

⁽⁶⁾ Medical Council of India website as on February 2, 2017

Since India continues to remain a prescriptions led market, registered medical practitioners play an important role. Most retail drugs are sold through prescriptions from specialists and super specialists, who accounted for 61.6% of all prescriptions in IPM for Fiscal 2017 (Source: IMS Medical Audit MAT, March 2017). A growing contribution of specialty therapies is expected to further enhance the importance of specialists and super specialists in the pharmaceuticals value chain.

Acute and Chronic Categories of the IPM

The following tables set forth historical revenues and revenue growth of chronic and acute categories of the IPM, for the periods indicated:

Value (in ₹ billion)	For Fiscal				
	2013	2014	2015	2016	2017
Acute category	501.6	545.5	614.3	696.3	751.5
Chronic category	229.2	261.0	300.2	351.2	391.7
Total	730.9	806.4	914.5	1,047.6	1,143.3

% Contribution (by value)	2013	2014	2015	2016	2017
Acute category	68.6%	67.6%	67.2%	66.5%	65.7%
Chronic category	31.4%	32.4%	32.8%	33.5%	34.3%

Year on Year Growth (%)	2013	2014	2015	2016	2017	CAGR (Fiscals 2013-2017)
Acute category	9.5%	8.7%	12.6%	13.4%	7.9%	10.6%
Chronic category	13.5%	13.8%	15.0%	17.0%	11.5%	14.3%

Source: IMS TSA MAT, March 2017

The following table sets forth revenue and growth data for select therapeutic areas within the chronic and acute categories of the IPM, for the periods indicated:

Chronic Category			Acute Category		
Therapeutic Area Value (in ₹ billion)	MAT for Fiscal 2017 (in ₹ billion)	CAGR (Fiscals 2013 – 2017)	Therapeutic Area	MAT for Fiscal 2017 (in ₹ billion)	CAGR (Fiscals 2013 – 2017)
Cardiovascular	134.0	11.6	Gastro Intestinal	122.3	12.3%
Anti-diabetics	100.6	19.1	Vitamins	89.3	12.5%
Neurology	68.8	12.2	Gynaecology	55.7	9.9%
Respiratory	35.4	14.8	Respiratory	54.1	9.9%
Others*	52.8	16.2	Others**	430.2	10.0%

*Others comprises of: urology, oncology, chronic pain/analgesics, others

** Others comprises of: anti infectives, derma, pain/analgesics, opthal/otologicals, vaccines, hormones, others, blood related, hepatoprotectives, HIV, stomatologicals, anti-malarials, anti-tb, anti-parasitic, parenteral and sex stimulants/rejuvenators

Source: IMS TSA MAT, March 2017

The following table sets forth revenue data for certain select subgroups within the cardiovascular and vitamins therapeutic areas, for the periods indicated:

Therapeutic Area	Vitamins		Cardiovascular
Subgroup	Plain Vitamin D	Cilnidipine and Combinations	Chlorthalidone and Combinations
Revenues in Fiscal Year (₹ million)			
2007	107.1	0.0	230.7
2008	116.0	2.2	231.8
2009	123.2	9.0	233.2
2010	167.4	25.0	245.0
2011	256.8	67.5	224.2
Source: IMS secondary sales audit ("SSA")* MAT, March 2007 and March 2011			
2012	751.8	164.8	280.7
2013	1,815.1	328.6	480.1
2014	2,764.0	928.5	1,237.4
2015	3,679.0	1,856.6	2,406.0
2016	4,714.8	2,921.5	3,324.1
2017	5,123.9	3,938.6	4,122.3

Source: IMS TSA MAT, March 2017

* IMS SSA includes only secondary sales from authorized pharmaceuticals stockists to retailers.

Growing Prevalence of Chronic Diseases in India

According to IMS, the widespread rise of chronic diseases is largely lifestyle led and driven by rapid urbanization, increasingly sedentary lifestyles and changing eating habits. The onset of serious chronic conditions is recorded at a relatively early age in Indian patients, while late diagnosis and limited access to effective treatment means that outcomes for many patients are poor. As of March, 2015, an estimated 33% of the Indian adult population have high blood pressure, while the prevalence of elevated cholesterol and blood glucose levels is estimated at approximately 27% and 10%, respectively. Further, one in ten adults are estimated to be overweight, while 14% are estimated to use tobacco on a daily basis. (Source: IMS Market Prognosis 2015 – 2019 Asia / Australia – India, March 2015).

These factors have led to an increase in the contribution of the chronic category to the IPM from 31.4% in Fiscal 2013 to 34.3% in Fiscal 2017. (Source: IMS TSA MAT, March 2017). The chronic category of the IPM is expected to grow at a CAGR of 13.9% between calendar years 2016 and 2021 (Source: IMS Prognosis Global 2016-2020). Sales of pharmaceuticals products in the chronic category have grown at a CAGR of 14.3% between Fiscals 2013 and 2017, a rate that is higher than the growth of the sale of pharmaceuticals products in the acute category, at a CAGR of 11.0% between the same periods. (Source: IMS TSA MAT, March 2017).

The increasing significance of the chronic category is visible from the composition of the leading brands in the IPM. Among the top 300 brands, 104 brands belonged to the chronic category for Fiscal 2017, compared to 90 brands for Fiscal 2013 (Source: IMS TSA MAT, March 2017).

The following table highlights the composition of the top 300 brands in the IPM, by revenues, for Fiscals 2013 and 2017:

	For Fiscal 2013			No. of Brands	For Fiscal 2017	
	No. of Brands	MAT (in ₹ billion)	% Contribution		MAT (in ₹ billion)	% Contribution
Chronic	91	67.0	28.9%	104	123.1	35.6%
Acute	209	165.2	71.1%	196	223.3	64.4%
Total	300	232.2	100%	300	346.4	100.0%

Source: IMS TSA MAT, March 2017

Overview of Leading Chronic Diseases in India

For Fiscal 2017, cardiovascular and anti-diabetics therapies accounted for 59.9% of total revenues in the chronic category in the IPM. Other large therapeutic areas within the chronic category include neurology and CNS, respiratory, urology and oncology. (Source: IMS TSA MAT, March 2017).

The following table provides an overview of the scale and growth profile of the therapeutic areas in the chronic category of the IPM, between Fiscals 2013 and 2017:

Therapeutic Area	MAT for Fiscal (in ₹ billion)					Growth in Fiscal (year on year)			
	2013	2014	2015	2016	2017	2014	2015	2016	2017
Cardiovascular	86.5	95.6	107.6	123.6	134.0	10.4%	12.6%	14.9%	8.4%
Anti-diabetics	50.0	59.6	70.7	85.5	100.6	19.3%	18.5%	21.0%	17.6%
Neurology	43.4	47.6	53.9	62.5	68.8	9.7%	13.1%	15.9%	10.2%
Respiratory	20.4	23.5	27.4	31.3	35.4	15.4%	16.5%	14.4%	13.1%
Urology	10.9	12.4	14.6	17.3	19.6	13.8%	17.0%	18.7%	13.7%
Oncology	7.2	10.3	12.1	15.5	16.7	41.8%	18.0%	27.8%	7.9%
Chronic Pain / Analgesics	10.3	11.5	13.5	15.0	15.9	11.1%	17.8%	10.9%	5.7%
Others*	0.4	0.5	0.5	0.5	0.6	10.5%	2.6%	17.6%	10.4%
Total Chronic	229.2	261.0	300.2	351.2	391.7	13.8%	15.0%	17.0%	11.5%
Total IPM	730.9	806.4	914.5	1,047.6	1,143.3	10.3%	13.4%	14.5%	9.1%

*Others comprises of: Topical drugs used for treatment of varicose therapy

Source: IMS TSA MAT, March 2017

Multiple growth drivers exist for therapeutic areas in the chronic category, including:

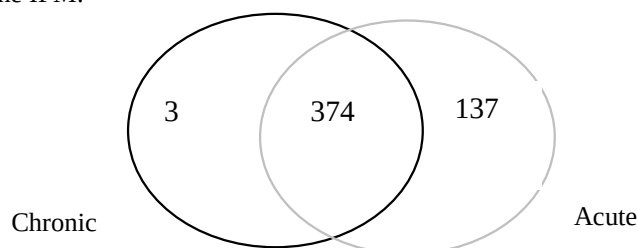
- **Diabetes.** The anti-diabetics therapeutic area primarily comprises of oral anti-diabetics and insulin groups and is primarily driven by nutrition, lifestyle, lack of physical activity and genetic predisposition. The anti-diabetics therapeutic area revenues grew at a CAGR of 19.1% between Fiscals 2013 and 2017, and accounted for 8.8% of the IPM revenues in Fiscal 2017. In Fiscal 2017, 74.0% of the anti-diabetics market was driven by oral anti-diabetic group. Other groups include 'insulin' and 'newer therapies'. (Source: IMS TSA MAT, March 2017).
- **Cardiovascular Diseases.** The cardiovascular therapeutic area comprises of anti-hypertensives ("AHT"), cardiac therapy and lipids subgroups. AHT is the largest segment, accounting for 56.2% of the revenues of the cardiovascular therapeutic area for Fiscal 2017. (Source: IMS TSA MAT, March 2017). Cardiac therapy revenues grew at a CAGR of 11.6% between Fiscals 2013 and 2017, and accounted for 11.7% of the IPM revenues in Fiscal 2017 (Source: IMS TSA MAT, March 2017). Within the cardiovascular therapeutic area, hypertension is a significant sub group. Hypertension may lead to myocardial infarction (commonly referred to as a heart attack), stroke, renal failure and death if not detected early and treated appropriately. The revenues of products in the hypertension subgroup of the IPM grew at 11.3% CAGR between Fiscals 2013 and 2017 and accounted for 6.6% of the IPM revenues for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

Competitive Landscape

Fragmented Domestic Market

The Indian domestic formulations market is highly fragmented with 514 companies present in Fiscal 2017. These included 511 companies operating in the acute category and 377 operating in chronic category (with 374 companies operating in both the segments) for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

The following chart sets forth the number of companies operating in the acute category, in the chronic category, and in both categories of the IPM:



Source: IMS TSA MAT, March 2017

There was relatively lower competition in the chronic category, which had 377 companies and 9106 brands, accounting for ₹391.7 billion of revenues, for Fiscal 2017. In the acute category, there was higher competition, with 511 companies and 25885 brands accounting for ₹751.5 billion of revenues for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

The following table provides details of the number of companies, number of brands and revenue per brand for chronic and acute categories of the IPM:

	For Fiscal				
	2013	2014	2015	2016	2017
Revenues (in ₹ billion)					
Acute category	501.6	545.5	614.3	696.3	751.5
Chronic category	229.2	261.0	300.2	351.2	391.7
Number of companies					
Acute category	459	469	463	490	511
Chronic category	314	333	352	359	377
Number of brands					
Acute category	21,744	23,471	24,102	24,803	25,885
Chronic category	7,221	7,792	8,255	8,600	9,106
Average Revenue per brand (in ₹ million)					
Acute category	23.1	23.2	25.5	28.1	29.0
Chronic category	31.7	33.5	36.4	40.8	43.0

Source: IMS TSA MAT, March 2017

Competition in the chronic category between Fiscals 2013 and 2017 grew faster than the acute category. Between Fiscals 2013 and 2017, the number of brands in the chronic category increased at a CAGR of 6.0% compared to a CAGR of 4.5% for brands in the acute category. The chronic category has exhibited higher revenue per brand compared to the acute category for each Fiscal from Fiscals 2013 to 2017. Among the top 30 brands in the chronic category, 19 brands have maintained their top 30 position between Fiscals 2013 and 2017 as compared to 25 brands in the acute category maintaining their top 30 position between Fiscals 2013 and 2017. (Source: IMS TSA MAT, March 2017).

Top Companies in IPM

The top 10 companies in the IPM, by revenues, accounted for 42.9% of the total market share based on revenue for Fiscal 2017.. Top companies in the chronic category of the IPM have a higher market share as compared to the acute category. The following table sets forth market share of the top 10 and top 25 companies in the chronic and acute categories:

Market share (by sales)	Fiscal 2017	Revenue CAGR (Fiscals 2013-2017)
Chronic category		
Top 10 companies	56.3%	13.8%
Top 25 companies	81.2%	14.1%
Acute category		
Top 10 companies	42.4%	9.1%
Top 25 companies	67.3%	9.8%

Source: IMS TSA MAT, March 2017

The top 10 companies by market share have grown at a median CAGR of 13.3% between Fiscals 2013 and 2017. (Source: IMS TSA MAT, March 2017).

The following table sets forth market share by revenue for the top 35 companies in the IPM, along with CAGR between Fiscals 2013 and 2017:

	Name of company	Market Share - IPM (for Fiscal 2017)	CAGR (Fiscals 2013-2017)
1.	Sun	8.1%	11.0%
2.	Abbott	6.4%	8.8%
3.	Cipla	5.2%	13.1%
4.	Mankind	3.8%	15.1%
5.	Alkem	3.5%	13.4%
6.	Lupin	3.3%	16.6%
7.	Zydus Cadila	3.3%	5.6%
8.	Glaxosmithkline	3.2%	3.3%
9.	Macleods	3.2%	16.0%
10.	Intas	2.8%	15.5%
11.	Pfizer	2.6%	6.8%
12.	Aristo	2.4%	14.9%
13.	Dr Reddy's	2.3%	11.8%
14.	Torrent	2.3%	8.0%
15.	Sanofi	2.2%	6.8%
16.	Emcure	2.2%	10.3%
17.	Glenmark	2.2%	18.2%
18.	USV	2.0%	13.8%
19.	Micro Labs	1.6%	8.6%
20.	Alembic	1.6%	10.6%
21.	Wockhardt	1.5%	11.5%
22.	IPCA Labs	1.5%	15.0%
23.	FDC	1.1%	9.0%
24.	Novartis International	1.1%	5.0%
25.	Unichem	1.0%	8.6%
26.	MSD	0.9%	13.9%
27.	Merck Limited	0.9%	14.3%
28.	Cadila	0.9%	11.1%
29.	Indoco	0.7%	11.8%
30.	Himalaya Drug	0.7%	10.8%
31.	Franco Indian	0.7%	13.1%
32.	Eris Lifesciences	0.7%	21.7%
33.	Ajanta Pharma	0.6%	29.4%
34.	Blue Cross	0.6%	12.7%
35.	Astrazeneca	0.5%	9.1%

Source: IMS TSA MAT, March 2017

The chronic category, with a median growth at a CAGR of 14.8% for the top ten companies, between Fiscals 2013 and 2017, has grown faster than the acute category, with a median growth rate at a CAGR of 9.6% for the top ten companies in the acute category between Fiscals 2013 and 2017. (Source: IMS TSA MAT, March 2017).

The following table provides details of the market share by revenue for the top 25 companies in the chronic category of the IPM, organized by market share by revenues, along with growth (CAGR) between Fiscals 2013 and 2017:

	Name of company	Market Share – Chronic Category (for Fiscal 2017)	CAGR (Fiscals 2013-2017)
1.	Sun	12.0%	14.8%
2.	Abbott	7.9%	10.8%
3.	Cipla	7.4%	14.9%
4.	Intas	5.2%	15.4%
5.	Lupin	5.1%	19.1%
6.	USV	4.9%	16.1%
7.	Torrent	3.9%	10.2%
8.	Sanofi	3.5%	9.0%
9.	Zydus Cadila	3.2%	7.7%
10.	Mankind	3.0%	19.9%
11.	Dr Reddys Labs	2.5%	11.9%
12.	Macleods Pharma	2.4%	20.4%
13.	Glenmark Pharma	2.1%	20.3%
14.	Emcure	2.0%	11.1%
15.	Micro Labs	2.0%	7.7%
16.	Unichem	1.8%	7.7%
17.	Novartis International	1.6%	14.5%
18.	Alkem	1.5%	24.5%
19.	IPCA Labs	1.4%	14.5%
20.	Eris Lifesciences	1.4%	28.9%
21.	Pfizer	1.4%	4.2%
22.	MSD	1.4%	22.2%
23.	Alembic	1.3%	26.7%
24.	Aristo	1.2%	17.5%
25.	Eli Lilly	1.0%	16.7%

Source: IMS TSA MAT, March 2017

Top Companies in the Cardiovascular Therapeutic Area

The following table provides details of the top 25 companies in the cardiovascular therapeutic area of the chronic category of the IPM, organized by growth (CAGR) between Fiscals 2013 and 2017:

Cardiovascular Therapeutic Area					
CAGR Rank	Name of company	CAGR (Fiscals 2013-2017)	Revenues Fiscal 2013 (₹ million)	Revenues Fiscal 2017 (₹ million)	Rank by Revenues for Fiscal 2017
1.	Ajanta	36.4%	757.5	2,624.2	20
2.	Alembic	27.0%	1,041.9	2,708.8	19
3.	Eris Lifesciences*	25.8%	1,092.3	2,738.3	18
4.	Unique Pharm	24.8%	811.8	1,971.9	24
5.	Mankind	21.2%	1,859.8	4,006.5	14
6.	Macleods Pharma	20.5%	2,170.5	4,576.4	11
7.	Aristo Pharma*	18.6%	1,131.0	2,234.6	22
8.	Glenmark Pharma*	17.7%	2,729.7	5,230.3	7
9.	Lupin Limited	16.3%	4,700.3	8,595.2	2
10.	USV	15.4%	4,092.2	7,246.5	4
11.	Serdia	14.7%	889.1	1,536.8	25
12.	Sun*	12.4%	10,409.4	16,643.7	1
13.	Astrazeneca	12.1%	1,423.1	2,250.9	21
14.	IPCA Labs	12.0%	1,790.3	2,817.6	17
15.	Cipla	11.6%	4,266.2	6,623.2	5
16.	Torrent Pharma	9.8%	5,327.3	7,754.1	3

17.	Dr Reddy's labs	8.8%	2,675.1	3,746.9	15
18.	Intas*	8.1%	3,494.3	4,774.3	10
19.	Emcure*	6.4%	3,360.6	4,311.5	12
20.	Abbott*	6.1%	3,788.2	4,807.7	9
21.	Micro Labs*	6.1%	2,795.0	3,541.5	16
22.	Unichem*	5.9%	3,918.9	4,923.2	8
23.	Zydus Cadila*	3.2%	4,649.5	5,275.9	6
24.	Pfizer*	2.0%	1,989.1	2,153.0	23
25.	Sanofi*	0.8%	4,057.3	4,188.9	13
Cardiovascular Therapeutic Area		11.6%	86,530.1	134,031.7	

*company including its subsidiaries/acquired entities

Source: IMS TSA MAT, March 2017

Top Companies in the Anti-Diabetics Therapeutic Area

The following table provides details of the top 25 companies in the anti-diabetics therapeutic area of the chronic category of the IPM, organized by growth (CAGR) between Fiscals 2013 and 2017:

Anti-Diabetics Therapeutic Area					
CAGR Rank	Name of company	CAGR (Fiscals 2013-2017)	Revenues Fiscal 2013 (₹ million)	Revenues Fiscal 2017 (₹ million)	Rank by Revenues for Fiscal 2017
1.	Boehringer Ingel.	76.9%	227.7	2,232.5	13
2.	Macleods Pharma	42.2%	258.6	1,056.8	22
3.	Eris Lifesciences*	34.5%	740.9	2,422.5	10
4.	Mankind	34.4%	840.3	2,743.8	9
5.	Alembic	29.6%	466.0	1,315.4	19
6.	Glenmark Pharma	27.8%	622.8	1,663.9	16
7.	Lupin	27.1%	1,811.1	4,721.9	6
8.	MSD*	24.4%	2,130.4	5,106.3	5
9.	Eli Lilly	20.1%	1,696.8	3,531.2	8
10.	Intas Pharma*	19.8%	1,176.3	2,421.0	11
11.	Torrent Pharma	19.8%	883.4	1,818.0	15
12.	Astrazeneca	18.9	640.8	1,281.8	20
13.	USV	18.6	5,884.5	11,627.7	2
14.	Dr Reddy's Labs	17.9%	983.2	1,902.6	14
15.	Sun*	17.2%	4,265.9	8,046.5	3
16.	Sanofi*	16.2%	3,515.2	6,399.8	4
17.	Abbott*	16.0%	10,087.9	18,259.8	1
18.	Novartis International*	15.8%	2,382.2	4,278.2	7
19.	Biocon	13.1%	1,011.9	1,657.5	17
20.	Franco Indian	12.3%	1,021.6	1,624.4	18
21.	Aristo Pharma*	11.0%	608.6	922.7	24
22.	Micro Labs*	10.6%	1,603.6	2,403.0	12
23.	Ipca Labs	6.4%	648.9	832.5	25
24.	Panacea Biotech	4.5%	828.1	986.2	23
25.	Wockhardt Limited*	1.1%	1,050.9	1,096.3	21
Anti-diabetics Therapeutic Area		19.1	49,986.4	100,586.2	

*company including its subsidiaries/acquired entities

Source: IMS TSA MAT, March 2017

Top Companies by Prescription Rank

The tables below illustrate the top five companies, broken down by prescription share and average prescribers, for subgroups in which our Company is present, across certain doctor categories:

Prescription Rank	Prescription Share	Average Prescribers	Average Prescriptions per Doctor per Month

Cardiologists				
Sun*	1	20.5%	6,891	88
Eris Lifesciences*	2	10.9%	4,710	68
USV	3	10.0%	5,172	57
Lupin Limited	4	8.3%	5,490	44
Glenmark Pharma	5	7.3%	5,601	38
Cardiologist Total		100%	7,881	374
Diabetologist/Endocrinologists				
Sun*	1	22.4%	3,854	84
USV	2	13.3%	3,467	55
Eris Lifesciences*	3	11.6%	3,051	55
Lupin Limited	4	8.4%	3,014	40
Glenmark Pharma	5	7.5%	3,141	35
Diabetologist/Endocrinologist Total		100%	4,442	
Consulting Physicians				
Sun*	1	11.7%	17,683	51
USV	2	6.7%	12,436	42
Alkem*	3	6.5%	13,923	36
Mankind	4	6.2%	14,044	34
Eris Lifesciences*	5	5.8%	8,922	50
Consulting Physician Total		100%	23,976	323

*company including its subsidiaries/acquired entities

Source: IMS Medical Audit MAT, March 2017; data presented is only for subgroups in which our Company is present

Contribution of Top Mother Brand Groups

The table below illustrates the proportion of revenues from top 10 and top 25 mother brand groups, respectively, across the top 25 companies in the IPM by revenues, for Fiscal 2017:

	Rank by Revenues for Fiscal 2017	Top 10 Mother Brand Group Revenue Contribution	Top 25 Mother Brand Group Revenue Contribution
Sun*	1.	26.2%	44.6%
Abbott*	2.	37.5%	57.1%
Cipla	3.	29.0%	52.3%
Mankind	4.	33.6%	59.0%
Alkem*	5.	51.7%	71.4%
Lupin Limited	6.	31.8%	51.5%
Zydus Cadila*	7.	29.9%	51.5%
Glaxosmithkline*	8.	56.7%	81.7%
Macleods Pharma	9.	33.0%	60.71%
Intas Pharma*	10.	26.9%	44.9%
Pfizer*	11.	63.5%	85.8%
Aristo Pharma*	12.	62.3%	82.6%
Dr Reddy's Labs	13.	43.4%	66.8%
Torrent Pharma	14.	47.3%	66.9%
Sanofi*	15.	58.3%	82.6%
Emcure*	16.	44.5%	65.5%
Glenmark Pharma	17.	52.7%	70.9%
USV	18.	76.3%	92.1%
Micro labs*	19.	32.5%	55.1%
Alembic	20.	53.9%	77.7%
Wockhardt Limited*	21.	56.2%	78.5%
IPCA labs	22.	47.4%	72.9%
FDC	23.	71.2%	89.2%
Novartis International*	24.	81.5%	93.3%
Unichem*	25.	54.9%	74.8%
Eris Life Sciences	32.	72.5%	92.2%
Average of Top 25 Companies in IPM		48.0%	69.2%

*company including its subsidiaries/acquired entities

Source: IMS TSA MAT, March 2017

Prescription Contribution based on Product Lifecycle for certain Pharmaceutical molecules

The table below illustrates the breakdown by prescription contribution from lifecycle stages of pharmaceutical molecules, constituting the product portfolio of the top 15 companies in the IPM in terms of prescription rank:

Name of company	Prescription Rank	Prescription Contribution from Pharmaceutical Molecule Lifecycle		
		Growth*	Mature*	Decline*
Mankind Pharmaceuticals	1.	41.7%	38.5%	19.6%
Sun Pharma	2.	47.4%	26.1%	26.4%
Abbott	3.	25.8%	49.1%	25.1%
Cipla	4.	29.8%	30.3%	39.7%
Alkem Laboratories	5.	61.2%	24.3%	14.5%
Glaxo Smithkline	6.	21.8%	44.2%	34.0%
Zydus	7.	22.5%	50.6%	26.9%
Macleods Pharmaceuticals	8.	53.3%	34.8%	11.9%
Aristo Pharma	9.	50.3%	28.8%	20.9%
Dr. Reddy's Lab	10.	24.4%	32.9%	42.8%
Lupin Limited	11.	49.0%	24.5%	26.4%
Ipca Laboratories	12.	48.7%	30.5%	20.4%
Micro Labs	13.	50.7%	28.6%	20.4%
Torrent Pharmaceuticals	14.	31.0%	26.6%	42.4%
Pfizer Wyeth India	15.	5.0%	64.5%	30.5%
Eris Life Sciences	43.	73.0%	25.1%	1.6%
IPM		30.7%	39.4%	28.7%

**Growth, mature and decline phases refer to rate of growth in prescriptions of pharmaceutical molecules (all molecules taken together) at a CAGR of 8%, minus 1% and minus 5%, respectively, for the relevant period.*

Source: SMSRC, data for MAT, February 2017

OUR BUSINESS

In this Prospectus, we have included certain sales, market share and other financial information relating to the pharmaceutical industry and our operations, products and therapeutic areas that is sourced from IMS, a healthcare information and consulting service provider. IMS computes revenues for the sales of pharmaceutical products based on their research on sales of products in certain pharmaceutical markets and in relation to specific geographic areas. The methodology for computation of revenues by IMS, including for our products, is different from the methodology we adopt for the recognition of revenue from the sales of our products under Indian GAAP, reflected in the Restated Financial Statements included in this Prospectus. Accordingly, the sales, market share and other financial data sourced to IMS may not accurately reflect our revenues, results of operations and financial results for the products/therapeutic areas covered.

We have classified and presented certain sales, market share and other financial information sourced from IMS, according to 'mother brand groups'. A mother brand includes all brand extensions and combinations. A 'mother brand group' includes a mother brand together with other brands using the same pharmaceutical molecules as brand extensions and combinations in the mother brand.

Overview

We develop, manufacture and commercialize branded pharmaceutical products in select therapeutic areas within the chronic and acute categories of the IPM, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; and anti-infectives. Our focus has been on developing products in the chronic and acute category which are linked to lifestyle related disorders. The chronic category of the IPM contributed 65.6% of our revenues in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were ranked 20th out of 377 domestic and multinational companies present in the chronic category of the IPM, in terms of revenues for Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were the fastest growing company, in the chronic category, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March, 2017). We generated 34.4% of our revenues from the acute category of the IPM in Fiscal 2017. Our revenues from the acute category grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017).

Our product portfolio comprised of 80 mother brand groups as of March 31, 2017 (Source: IMS TSA MAT, March 2017). Our product portfolio is primarily focused on therapeutic areas which require the intervention of specialists and super specialists such as cardiologists, diabetologists, endocrinologists and gastroenterologists. Sales in metro cities and class 1 towns, together accounted for 76.8% of our revenues in Fiscal 2017 (Source: IMS Town Class MAT, March 2017), as a majority of specialists and super specialists are based in these metro cities and class 1 towns (Source: IMS Town Class MAT, March 2017). Between Fiscals 2013 and 2017, there has been an increase in the number of doctors prescribing our products from 37,842 (constituting 13.8% of doctors in metro cities and class 1 towns in India) to 50,282 (constituting 15.7% of doctors in metro cities and class 1 towns in India) with a prescription share of 1.3% for Fiscal 2017 (Source: IMS Medical Audit and Town Class MAT, March 2017).

Our products in the chronic category of the IPM cater primarily to the following therapeutic areas:

- **cardiovascular:** as of March 31, 2017, we had a portfolio of 63 brands in the cardiovascular therapeutic area, including 44 brands in the hypertension subgroup; 27 of our cardiovascular brands were ranked in the top 10 in their respective subgroup of the IPM in terms of revenues, for Fiscal 2017; we had revenues of ₹2,738.3 million and were ranked 18th in terms of revenues from the cardiovascular therapeutic area, between Fiscals 2013 and 2017 our revenues grew at a CAGR of 25.8%; and we were ranked third in terms of growth during this period, among the top 25 companies in the cardiovascular therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017);
- **anti-diabetics:** as of March 31, 2017, we have a portfolio of 26 brands in the anti-diabetics therapeutic area, of which seven brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; we had revenues of ₹2,422.5 million and were ranked 10th in terms of revenues from the anti-diabetics therapeutic area, in Fiscal 2017; between Fiscals 2013 and 2017 our revenues grew at a CAGR of 34.5%; and we were ranked third in terms of growth during this period, among the top 25 companies in the anti-diabetics therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017); and

- **others:** our revenues from other therapeutic areas in the chronic category, namely neurology, chronic respiratory and chronic pain (analgesics), were ₹330.2 million for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

We have grown our product portfolio in the acute category of the IPM, catering primarily to the following therapeutic areas:

- **vitamins:** we have grown to become the seventh largest company in cholecalciferol oral solids (including combinations) subgroup, in terms of revenues with a market share of 4.6% in Fiscal 2017; and we have the largest brand in Vitamin D and mecobalamin subgroup, in terms of revenues, with a market share of 27.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017); our revenues from the vitamins therapeutic area were ₹1,146.9 million for Fiscal 2017, with growth at a CAGR of 7.4%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **gastroenterology:** as of March 31, 2017, we had a portfolio of 46 brands in the gastro-intestinal therapeutic area, of which five brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; our revenues from the gastroenterology therapeutic area were ₹776.8 million for Fiscal 2017, with growth at a CAGR of 8.2%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **acute pain-analgesics:** our revenues from the acute pain-analgesics therapeutic area were ₹274.8 million for Fiscal 2017; (Source : IMS TSA MAT, March 2017);
- **anti-infectives:** our revenues from the anti-infectives therapeutic area were ₹219.5 million for Fiscal 2017, with a CAGR of 5.7% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **gynaecology:** we have developed our portfolio of products in the gynaecology therapeutic area with a focus on products catering to women's health; our revenues from the gynaecology therapeutic area were ₹224.7 million for Fiscal 2017, with a CAGR of 36.8% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017); and
- **others:** our revenues from other therapeutic areas in the acute category, namely acute respiratory, hepatoprotectives, hormones, hematology, dermatology, anti-obesity products and products for injury healing, were ₹241.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

Effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma for an aggregate consideration of ₹328.70 million, in order to grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas. Amay Pharma's revenues, from the brands acquired by us were ₹192.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017). Further, on November 23, 2016, we entered into a share purchase agreement to acquire 61.48% equity shares of Kinedex from its existing shareholders, and on December 12, 2016, we entered into a share purchase and shareholders' agreement to acquire an additional 14.00% equity shares of Kinedex, taking our aggregate shareholding in Kinedex to 75.48%, for an aggregate consideration of ₹771.79 million. Kinedex primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area, within the acute pain-analgesics therapeutic area. Kinedex's revenues were ₹830.2 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

We own and operate a manufacturing facility in Guwahati, Assam. We also outsource the manufacturing of certain of our products, and currently use approximately 20 third party manufacturers. We have developed capabilities in the commercialization of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and regulatory aspects. We have strong sales, marketing and distribution capabilities in India with seven sales divisions focused on developing and growing our engagement with specialists and super specialists. Our sales divisions are also responsible for our commercialization and marketing strategy. Our sales team comprised of 1,501 marketing representatives, as of March 31, 2017.

Our Promoters have an average experience of over a decade in the pharmaceuticals industry. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations, and has substantial experience in pharmaceutical sales and marketing. We believe that the knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. Our Company received the 'Competitive Strategy Leadership' award

for 2013, from Frost & Sullivan and our Promoter, Chairman and Managing Director, Mr. Amit Indubhushan Bakshi, has been recognized as the 'Entrepreneur of the Year, 2013' by Ernst & Young.

For Fiscals 2017, 2016 and 2015, our net revenue from operations was ₹7,249.57 million, ₹5,970.21 million and ₹5,455.58 million, respectively. Our net revenue from operations grew at a CAGR of 16.54% between Fiscals 2013 and 2017. For Fiscals 2017, 2016 and 2015, our restated profit after tax attributable to shareholders was ₹2,420.79 million, ₹1,335.69 million and ₹892.34 million, respectively. Our restated profit after tax attributable to shareholders has grown at a CAGR of 42.81% between Fiscals 2013 and 2017, demonstrating our focus on sustainable profit growth over such period.

Our Strengths

Focus on branded prescription based pharmaceutical products catering to lifestyle related disorders

Our focus has been on developing, manufacturing and marketing products, which are linked to lifestyle related disorders, which are chronic in nature, and to a target population, which primarily consults specialists and super-specialists. We develop, manufacture and commercialize branded prescription based pharmaceuticals products in select chronic and acute therapeutic areas, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; anti-infectives; and gynaecology. In Fiscal 2017, we generated 65.6% of our revenues from the chronic category of the IPM (*Source: IMS TSA MAT, March 2017*). The chronic category accounted for 34.3% of the IPM in Fiscal 2017 compared to 31.4% of the IPM in Fiscal 2013, representing growth at a CAGR of 14.3% (*Source: IMS TSA MAT, March 2017*).

In Fiscal 2017, we generated 34.4% of our revenues from the acute category of the IPM. (*Source: IMS TSA MAT, March 2017*) Our revenues from the acute category of the IPM grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*). We have identified, developed and are marketing products in the acute category which are connected to lifestyle disorders, and are required to be prescribed over an extended period, or are complementary to our existing chronic portfolio in terms of doctors prescribing our products. For further details on our ranking in therapeutic areas within the chronic and acute categories of the IPM, see "**Industry Overview – Competitive Landscape**" on page 98.

One of the fastest growing companies in certain high growth therapeutic areas with a portfolio of complementary products

Our growth in revenues, at a CAGR of 21.7%, between Fiscals 2013 and 2017 has outperformed overall IPM growth, at a CAGR of 11.8%, during the same period. In the chronic category of the IPM, we were the fastest growing company, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017. We were ranked 20th out of the 377 domestic and multinational companies in the chronic category of the IPM, in terms of revenues, for Fiscal 2017, compared to 26th in Fiscal 2013, and our market share by revenue in the chronic category increased from 0.9% in Fiscal 2013 to 1.4% in Fiscal 2017. (*Source: IMS TSA MAT, March 2017*).

In the chronic category, products in the cardiovascular and anti-diabetics therapeutic areas accounted for 61.6% of our revenues in Fiscal 2017. (*Source: IMS TSA MAT, March 2017*) In the cardiovascular therapeutic area of the IPM, we were ranked 18th in terms of revenues in Fiscal 2017, and third in terms of revenue growth among the top 25 companies between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*). To supplement our cardiovascular products, we also introduced chlortalidone in combination with contemporary ARBs, telmisartan and olmesartan, in 2012. Further, in the anti-diabetics therapeutic area of the IPM, we were ranked 10th in terms of revenues in Fiscal 2017, and third in terms of revenue growth between Fiscals 2013 and 2017 among the top 25 companies (*Source: IMS TSA MAT, March 2017*). Further, effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma in order to further grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas.

In the acute category, products in the vitamins and gastroenterology therapeutic areas accounted for 23.0% of our revenues in Fiscal 2017 (*Source: IMS TSA MAT, March 2017*). We have extended our cardiovascular and anti-diabetics product portfolio by selecting therapeutic areas which are lifestyle related disorders, are underpenetrated, or have the potential to drive cross linkages with our existing portfolio and coverage at the doctor level. For example, considering the therapeutic relevance of cholecalciferol (Vitamin D) in lipid metabolism, diabetes and hypertension, we launched our Vitamin D brand, Tayo 60K, in 2011. Further, we acquired 75.48% equity interest (61.48% in November 2016 and an additional 14.00% in December 2016) in Kinedex, which primarily focuses

on products catering to mobility related disorders in the musculoskeletal therapeutic area in the acute category of the IPM.

Portfolio of high volume and leading brands

A significant proportion of our revenues is derived from mother brand groups, which are among top 10 in their respective subgroups. The table below provides an overview of our revenues, market share and prescription ranking of our top 10 mother brand groups:

Revenue in ₹million; CAGR between Fiscals 2013 and 2017

Mother Brand Group	Therapeutic Area	Revenue			Market share		Prescription rank	
		Fiscal 2013	Fiscal 2017	CAGR (%)	Fiscal 2013	Fiscal 2017	Fiscal 2013	Fiscal 2017
Glimisave	Anti-diabetics	616.2	1,708.8	29.0	3.9%	5.5%	2	3
Eritel	Cardiovascular	374.4	1,022.2	28.5	4.2%	5.3%	4	4
Rabonik	Gastroenterology	381.3	541.8	9.2	5.3%	4.4%	6	10
Remylin	Vitamins	358.8	529.7	10.2	7.1%	6.3%	3	8
Tayo	Vitamins	391.2	526.7	7.7	8.4%	4.9%	2	5
Olmin	Cardiovascular	142.0	487.1	36.1	4.0%	6.8%	3	3
Atorsave	Cardiovascular	286.1	377.3	7.2	3.0%	3.6%	3	6
LN Bloc	Cardiovascular	6.9	359.9	168.4	2.0%	10.8%	5	2
Tendia	Anti-diabetics	0.0	287.8	NA	NA	7.2%	NA	3
Crevast	Cardiovascular	109.4	229.6	20.4	2.8%	2.5%	6	6
Top 10 Mother Brand Group Total		2666.3	6070.7	22.8%				

Source: IMS TSA and Medical Audit MAT, March 2017

In Fiscal 2017, we derived a higher proportion of our revenues from our top 10 and top 25 mother brand groups, as compared to the average of the top 25 players in the IPM, as set out in the table below:

For Fiscal 2017

	Top 10 Mother Brand Groups Revenue Contribution	Top 25 Mother Brand Groups Revenue Contribution
Our Company	72.5%	92.2%
Average of Top 25 Companies in IPM	48.0%	69.2%

Source: IMS TSA MAT, March 2017

Further, we derived almost all of our revenues from products in the growth and mature phases of the lifecycle of the representative pharmaceutical molecules, as classified by SMSRC:

Lifecycle of Pharmaceutical Molecules	Our Company	IPM
Growth*	73.0%	30.7%
Mature*	25.1%	39.4%
Decline*	1.6%	28.7%

*Growth, mature and decline phases refer to rate of growth in prescriptions of pharmaceutical molecules (all molecules taken together) at a CAGR of 8%, minus 1% and minus 5%, respectively, for the relevant period.

Source: SMSRC, based on data for MAT February 2017.

We believe that a greater proportion of our products being in the growth lifecycle of the representative pharmaceutical molecules, as compared to the IPM, gives us a significant advantage as we seek to grow the prescriptions for our products.

Focus on metro cities and class 1 towns in India which have higher incidence of lifestyle disorders and concentration of specialists and super specialists

Our product portfolio primarily focuses on therapeutic areas which have a higher incidence in metro cities and class 1 towns, and which rely on prescriptions by specialists and super specialists, who are concentrated in these regions. According to the Report of the Working Group on Disease Burden for the 12th Five Year Plan, there is a greater prevalence of lifestyle related disorders in urban and semi urban areas compared to rural areas. The table below illustrates the contribution of metro cities and class 1 towns in Fiscal 2017 to the IPM, broken down by category:

CAGR between Fiscals 2013 and 2017

Category	IPM Revenue % from metro cities and class 1 towns	IPM CAGR Revenue from Metros	IPM CAGR Revenue from Class 1 Towns
	Fiscal 2017		
Chronic	72.0%	13.1%	18.2%
Acute	62.9%	10.0%	11.3%
IPM Total	66.0%	11.2%	13.4%

Source: IMS Town Class MAT, March 2017

We focus on sale of our products in metro cities and class 1 towns, with 76.8% of our revenues coming from these areas for Fiscal 2017. (Source: IMS analysis, Town Class MAT, March 2017) The table below demonstrates the revenue contribution of metro cities and class 1 towns for our key therapeutic areas:

Therapeutic Area	Our Company Revenues	Our Company Revenue % from metro cities and class 1 towns	Revenues/ MAT in ₹million	
			IPM	IPM Revenue % from metro cities and class 1 towns
	Fiscal 2017		Fiscal 2017	
Cardiovascular	2,738.3	74.8%	134,031.7	70.1%
Anti-diabetics	2,422.5	75.0%	100,586.2	73.1%
Vitamins	1,146.9	81.7%	89,339.7	64.7%
Gastroenterology	776.9	78.8%	122,262.2	61.0%

Source: IMS TSA and Town Class MAT, March 2017.

Further, as of September 30, 2016, approximately 87% of diabetologists/ endocrinologists, 89% of cardiologists and 89% of gastroenterologists, were located in metro cities and class 1 towns (among the top 780 cities and towns in India). (Source: IMS Analysis, MAT September 2016). Cardiologists, diabetologists/ endocrinologists and consulting physicians together comprised of only 11.4% of the total doctor population in India, as of March 31, 2017, however they contributed to 52.2% of the prescriptions for anti-diabetics and cardiovascular therapeutic areas. Further, super specialists, specialists and general physicians contributed to 23.3%, 38.3% and 38.4% of the total prescriptions for the IPM, respectively, as compared to 53.5%, 42.6% and 3.9% of total prescriptions for our mother brand groups, respectively (Source: IMS Medical Audit and TSA MAT March 2017).

Multi-faceted product selection and engagement model leading to growth in prescription for our products

Our multi-faceted product selection and engagement model comprises of identifying and addressing diagnostic gaps, therapeutic gaps and patient compliance gaps.

- **Diagnostics gap:** We believe that a combination of diagnostics with commercialization and marketing enhances the quality of diagnosis and prognosis. We have undertaken certain initiatives to support doctors, which we believe have helped increase the prescription rates of our products. For example:
 - iii. **Hypertension:** ABPM is a key tool in diagnosing and monitoring hypertension, which records the overall profile of a patient's blood pressure over the course of a day; we launched an "ABPM on call" initiative which included providing insights and accessibility of ABPM to doctors and patients; through ABPM on call, we had supported approximately 16,300 patients and 2,800 doctors, as of March 31, 2017; and
 - iv. **Diabetes:** we believe CGM is important for diabetes treatment decisions; we have launched an initiative 'Tendia CGM On Call', which includes actively engaging with doctors with requirements for CGM for their patients; our trained executives install CGM devices on the patients which monitor glucose levels for three to six days; post monitoring, we collect data for the relevant doctor.
- **Therapeutic gap:** We seek to identify and address therapeutic gaps in the IPM, where we believe that the clinical benefits of certain products and therapies are not tapped up to their potential. For example:

- iii. *Vitamin D*: tapping the therapeutic relevance of cholecalciferol (Vitamin D) in lipid metabolism, diabetes and hypertension, we launched our Vitamin D brand, Tayo 60K, in chewable form in 2011; and
 - iv. *Hypertension*: we focused on the concept of managing hypertension with an aspect of preventing vital organ damage along with blood pressure reduction, and introduced Cilnidipine, a newer generation anti hypertensive molecule that reduces adverse effects on the kidneys, in 2012.
- *Patient compliance gap*: Patient compliance forms an important part of our marketing initiatives. Our initiatives include technology driven delivery systems, including:
 - iii. *Metformin*: in order to address patient compliance gaps, we have introduced a smaller form of our Glimisave M brand tablets; and
 - iv. *Rabeprazole*: we launched our 'MacRabonik' brand in 2014, which consists of a delayed dual release of rabeprazole, in order to address compliance gaps with dual dosage requirements of proton pump inhibitors.

Between Fiscals 2013 and 2017, there has been an increase in the number of doctors prescribing our products from 37, 842 (constituting 13.8% of total doctors in metro cities and class 1 towns in India) as of March 31, 2013 to 50,282 (constituting 15.7% of total doctors in metro cities and class 1 towns in India) with a prescription share of 1.3% as of March 31, 2017 (*Source: IMS Medical Audit MAT, March 2017*). We believe our product selection and doctor-patient engagement model has helped us achieve significant growth in our product prescriptions, as demonstrated by the prescription rankings of our top 10 mother brand groups between Fiscals 2013 and 2017. For details, see “**Industry Overview – Overview of the Indian Pharmaceuticals Market – Key Characteristics of the IPM**” on page 93.

Strong sales, marketing and distribution capabilities

We believe we have strong sales, marketing and distribution capabilities. Since our Company's incorporation in 2007, we have created seven sales divisions, aligned with our key therapeutic areas and have focused on developing and growing our engagement with specialists and super specialists. These sales divisions are responsible for developing brand specific marketing strategies and engaging with doctors on a regular basis. Our medical representatives cover doctors across India, with primary focus in metro cities and class 1 towns. We also use a sales force management system, which captures data at the headquarters and employee levels, to make our sales staff more productive.

Our marketing team utilizes a variety of marketing techniques and programs to promote our products, including promotional materials, speaker programs, industry publications, advertising and other media. The integration of our information technology systems with our sales and distribution infrastructure enables us to standardize our processes, reduce cost, enhance productivity, improve workflow and communications and improve our risk control mechanisms.

Our Strategy

Consolidate our position in therapeutic areas in which we have significant presence

We intend to continue to grow the scale of our products and brands in our existing therapeutic areas through a mix of initiatives which include:

- targeting new categories within our existing therapeutic areas, for example, strengthening our position in the anti-diabetes therapeutic area by launching new products in the insulin and 'glucagon-like peptide-1'(GLP1) categories;
- continuing to expand our network of KOLs in existing therapeutic areas and increase our coverage of specialists to drive growth in prescriptions;
- continuing to execute on our doctor-patient engagement model by leveraging diagnostics and technology to aid better outcomes and enhance patient compliance;
- enhancing our product lifecycle management by identifying clinical benefits and commercializing new extensions or combinations; and

- enhancing the productivity and efficiency of our sales and marketing personnel through training, technology and exploiting synergies between divisions.

Target and enhance our presence in large and high-growth therapeutic areas

In addition to consolidating presence in our existing brands and therapeutic areas, we also intend to focus our efforts on pursuing opportunities in therapeutic areas where we believe we can grow our presence, such as, chronic neurological pain, dermatology and gynaecology.

Our strategy for expansion in existing and new therapeutic areas includes extending our focus to target lifestyle disorders and the chronic category (to target products that have to be prescribed over an extended period of time as opposed to one time incidence related medication), identifying gaps in existing interventions, analyzing patient compliance, and working with KOLs, doctors and patients through active engagement to develop, manufacture and market new indications which fulfill an unmet need or are clinically differentiated. For example, in IPM:

- **Neurology:** neurology is the ninth largest therapeutic area with revenues of ₹68,841.3 million for Fiscal 2017, growing at CAGR of 12.2% between Fiscals 2013 and 2017; for Fiscal 2017, our revenues from the neurology therapeutic area were ₹167.5 million, with growth at a CAGR of 11.5% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017); we intend to further grow our presence in this therapeutic area, with a focus on the management of chronic neuropathic pain;
- **Dermatology:** dermatology is the eighth largest therapeutic area, with revenues of ₹79,930.3 million for Fiscal 2017 and has been growing at a CAGR of 18.2% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017); we intend to launch products with a focus on the cosmeceuticals subgroup within the dermatology therapeutic area;
- **Gynaecology:** gynecology therapeutic area has revenues of ₹55,707.6 million for Fiscal 2017, growing at a CAGR of 9.9% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017); we have identified female infertility and endocrine disorders as opportunities for expansion within the gynaecology therapeutic area; and
- **Osteoarthritis and musculoskeletal:** Osteoarthritis and musculoskeletal therapeutic areas had combined revenues of ₹10,415.5 million for Fiscal 2017, collectively growing at a CAGR of 10.7% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017); in 2016, we acquired 75.48% of the outstanding equity shares of Kinedex, which primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area and intend to grow our presence in this therapeutic area.

We also intend to expand our capabilities in products with niche capabilities such as controlled release, modified release and injectable products.

Explore in-licensing and co-development opportunities to leverage our sales, marketing and distribution and manufacturing infrastructure

We intend to leverage our existing sales, marketing and distribution infrastructure to explore licensing opportunities. We believe that our therapeutic focus and alignment of divisions and sales teams along therapeutic areas positions us as a partner of choice for pharmaceutical companies looking to utilize our distribution channel for marketing their products in India. We intend to explore in-licensing and co-development opportunities. For instance, in December 2016, we have entered into a distribution agreement with India Medtronic Private Limited for the distribution, marketing and promotion of the 'i-Port Advance' injection port which requires less injections than standard insulin delivery methods.

Target future patent expiries in India

We intend to utilize our research and development efforts to target select products which are currently under patent protection. Our strategy will be to launch branded prescription generics of these products on the expiry of the relevant patent in India particularly within the therapeutic areas in which we have a significant presence. Patents in relation to six products (sitagliptin, vildagliptin, linagliptin, insulin aspart protamine crystalline recombinant, ticagrelor and liraglutide recombinant) in the cardiovascular and anti-diabetics therapeutic areas, currently under patent in India, are expected to expire by Fiscal 2024, and their combined market size in Fiscal 2017 was ₹22,623.9 million (Source: IMS TSA MAT, March 2017). We believe that our strategy of engaging with specialist doctors,

and our leadership position in these therapeutic areas allows us to be well positioned to market these cardiovascular and anti-diabetics products.

Enhance our product line and expand our capabilities through strategic acquisitions

In addition to organic growth, we also intend to continue to explore asset and brand acquisitions and joint ventures. For instance, effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma in the cardiovascular and anti-diabetics therapeutic areas. Further we acquired 75.48% of the outstanding equity shares of Kinedex, a company focusing on products catering to mobility related disorders in the musculoskeletal therapeutic area, by way of two transactions, in November 2016 and December 2016, respectively. We have also entered into a tie-up agreement dated May 1, 2017 by way of which we obtained the exclusive right to market in India certain formulations in the acute pain-analgesics therapeutic area, manufactured by Pharmanza under license from the Council of Scientific and Industrial Research – Central Drug Research Institute. Where appropriate and advantageous for our business, we intend to selectively pursue opportunities that will:

- consolidate our market position and enhance our financial position;
- develop operating leverage for key therapeutic areas by unlocking potential efficiency and synergy benefits;
- strengthen or expand our product portfolio within existing therapeutic areas including cardiovascular and anti-diabetics;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our sales, marketing and distribution network, customers and geographical reach.

Our Recent Acquisitions

Acquisition of Trademarks from Amay Pharma and acquisition of Aprica Healthcare Private Limited

By way of a deed of assignment dated August 6, 2016 we acquired, effective July 1, 2016, registered and unregistered trademarks in relation to 40 brands including trademarks in relation to the Atorica, Apriglim and Rosurica brands, from Amay Pharma. The acquisition was for an aggregate consideration of ₹328.70 million, in order to grow our product portfolio in selected therapeutic areas such as cardiovascular and anti-diabetics. Amay Pharma's revenues, from the brands acquired by us were ₹192.83 million for Fiscal 2017 (*Source: IMS TSA MAT, March 2017*). In addition, effective September 27, 2016 we executed a non-competition and non-solicitation agreement for a period of five years with Amay Pharma for an aggregate fee of ₹50.00 million, restricting Amay Pharma from owning, controlling, financing, managing, operating, or participating in the ownership, control, finance, or operation of, or providing any services to, or on behalf of, any person engaged in the marketing and selling of prescription and non-prescription pharmaceutical products in identified therapeutic areas in India.

Further, on July 12, 2016, we acquired 100.00% of the outstanding equity shares of Aprica Health a company incorporated by Maharshi Sanjaykumar Vyas and Maulik Ghanshyam Pandya, the former employees of Amay Pharma, for an aggregate consideration of ₹0.10 million. We have entered into a non-exclusive trademark license agreement with Aprica Health, dated July 12, 2016, for a period of two years, in order to license out certain trademarks we acquired from Amay Pharma to Aprica Health. The trademark license is for an annual royalty payment, payable within 30 days of the end of every Fiscal, and ranging between 1.0% to 5.0% of net monthly sales, of licensed items.

See “***History and Certain Corporate Matters – Details Regarding Acquisition Of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets, etc***” on page 130, for further details of the arrangements entered by us for acquisition of the trademarks from Amay Pharma, the acquisition of Aprica Health, and license agreement between us and Aprica Health.

Acquisition of Kinedex Healthcare Private Limited

On November 23, 2016, we entered into a share purchase agreement to acquire 61.48% of the outstanding equity shares of Kinedex from its existing shareholders for an aggregate consideration of ₹628.66 million. On December 12, 2016, we entered into a share purchase and shareholders' agreement to acquire an additional 14.0% of the equity shares of Kinedex, for a consideration of ₹143.13 million, taking our aggregate shareholding in Kinedex to 75.48%.

Our acquisition of Kinedex was in order to add products catering to mobility related disorders in the

musculoskeletal therapeutic area to our portfolio. Kinedex's revenues were ₹830.2 million for Fiscal 2017, and revenues for Rosiflex, Kinedex's top mother brand group, were ₹396.3 million for Fiscal 2017 (*Source: IMS TSA, MAT March 2017*).

For further details see “*History and Certain Corporate Matters – Details Regarding Acquisition of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets, etc.*” on page 131.

Tie-up with Pharmanza Herbal Private Limited

Pursuant to a tie-up agreement dated May 1, 2017, among our Company, Pharmanza, Aeran Lab (India) Private Limited and others, we obtained the exclusive right to market in India, certain formulations in the acute pain-analgesics therapeutic area manufactured by Pharmanza under a license granted to it by the Council of Scientific and Industrial Research – Central Drug Research Institute. As per the terms of the tie-up agreement we are required to submit supply orders in the range of ₹25.00 million and ₹30.00 million per annum for purchase of products from Pharmanza. Further, in relation to the tie-up agreement, and in order to market the products purchased from Pharmanza, we have also entered into three deeds of assignment, each dated May 1, 2017, to acquire the rights and title to the brands Union, Reunion and Bon Union, for an aggregate consideration of ₹100.00 million, subject to certain additional payments contingent on sales of these brands. For further details see “*History and Certain Corporate Matters – Other Agreements*” on page 132.

DESCRIPTION OF OUR BUSINESS

We develop, manufacture and commercialize branded prescription based pharmaceutical products in select therapeutic areas within the chronic and acute categories of the IPM, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; anti-infectives; neurology; chronic and acute respiratory; and gynaecology, in India.

The following tables set forth our historical revenues and revenue growth from chronic and acute categories in the IPM, for the periods indicated:

Revenues (in ₹million)	For Fiscal					
	2013	2014	2015	2016	2017	
Chronic category	1,989.7	3,229.3	3,692.1	4,432.9	5,491.0	
Acute category	1,831.7	2,503.2	2,412.2	2,643.8	2,884.7	
Total	3,821.4	5,732.5	6,104.3	7,076.7	8,375.6	
Year on Year Revenue Growth/ (Decline)	2013	2014	2015	2016	2017	CAGR (Fiscals 2013-2017)
Chronic category	NA	62.3%	14.3%	20.1%	23.9%	28.9%
Acute category	NA	36.7%	(3.6%)	9.6%	9.1%	12.0%
Total	NA	50.0%	6.5%	15.9%	18.4%	21.7%

Source: IMS TSA MAT, March 2017

The chronic category of the IPM contributed 65.6% of our revenues in Fiscal 2017 (*Source: IMS TSA MAT, March 2017*). We were ranked 20th out of 377 domestic and multinational companies present in the chronic category of the IPM, in terms of revenues for Fiscal 2017. We were the fastest growing company, in the chronic category, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 21.7%, between Fiscals 2013 and 2017. (*Source: IMS TSA MAT, March 2017*).

In Fiscal 2017, we generated 34.4% of our revenues (*Source: IMS TSA MAT, March 2017*) from the acute category of the IPM. Our revenues from the acute category grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*). Our revenues from the acute category grew by 9.6% in Fiscal 2016 compared to Fiscal 2015, and grew at 9.1% in Fiscal 2017 compared to Fiscal 2016 (*Source: IMS TSA MAT, March 2015, March 2016 and March 2017*). This was due to a change in our strategy in the acute category, to focus increasingly on products in the growth phase of the lifecycle of the representative pharmaceutical molecules, coupled with a rationalization in production of certain of our existing brands with lower sales volumes.

Our Products

Our product portfolio comprised of 80 mother brand groups as of March 31, 2017 (*Source: IMS TSA MAT, March 2017*). A mother brand includes all brand extensions and combinations using similar pharmaceutical molecules. A 'mother brand group' includes a mother brand together with other brands using the same pharmaceutical molecules as brand extensions and combinations in the mother brand. We have developed products and a portfolio of leading mother brands in therapeutic areas in the chronic category and the acute category.

An overview of our performance in certain key therapeutic areas is presented in the table below:

Therapeutic Area	Our Company		IPM	
	Revenue for Fiscal 2017	CAGR Fiscals 2013 to 2017	MAT for Fiscal 2017	CAGR Fiscals 2013 to 2017
Chronic	5,491.0	28.9%	391,719.4	14.3%
Cardiovascular	2,738.3	25.8%	134,031.7	11.6%
Anti-diabetics	2,422.5	34.5%	100,586.2	19.1%
Others ¹	330.2	20.5%	157,101.6	14.1%
Acute	2,884.7	12.0%	751,539.0	10.6%
Vitamins	1,146.9	7.4%	89,339.7	12.5%
Gastroenterology	776.8	8.2%	122,262.2	12.3%
Pain-Analgesics	274.8	64.6%	74,919.9	10.5%
Anti-infectives	219.5	5.7%	148,237.8	5.7%
Gynaecology	224.7	36.8%	55,707.6	9.9%
Others ²	241.8	17.5%	261,071.7	12.7%
Total	8,375.6	21.7%	1,143,258.4	11.8%

¹ Other chronic therapeutic areas comprise: neurology, chronic respiratory and chronic pain (analgesics); for IPM chronic others also includes urology and oncology.

² Other acute therapeutic areas comprise: acute respiratory, hepatoprotectives, hormones, hematology, dermatology, for IPM others also includes ophthalmology, vaccines, anti-virals, anti-malarials, stomatologicals, anti-tuberculosis, anti-parasitics, prenatals, and sex stimulants and rejuvenators.

Source: IMS TSA MAT, March 2017

Our Brands in the Chronic Therapeutic Category

In Fiscal 2017, 61.6% of our revenues (*Source: IMS TSA MAT, March 2017*) were from cardiovascular and anti-diabetics therapeutic areas. Cardiovascular and anti-diabetics therapeutic areas together accounted for 59.9% of the chronic category of the IPM in Fiscal 2017 compared to 59.6% in Fiscal 2013 (*Source: IMS TSA MAT, March 2017*).

In the chronic category of the IPM, the top 100 and top 300 brands accounted for ₹120,796.4 million, or 30.8% and ₹195,918.8 million, or 50.0%, respectively, in terms of revenues for in Fiscal 2017. In Fiscal 2017, we had four brands in the top 300 brands, with one brand in the top 100 brands, in terms of revenues, in the chronic category of the IPM. (*Source: IMS TSA MAT, March 2017*).

Cardiovascular Therapeutic Area

The cardiovascular therapeutic area is the largest chronic therapeutic area in India, with a total market size of ₹134,031.7 million as of Fiscal 2017 and grew at a CAGR of 11.6% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*). We have launched certain key mother brand groups such as Eritel, Olmin, Atorsave, LN Bloc and Crevast, in hypertension and lipid lowering agents subgroups, and have also extended the coverage and reach of our products through our approach of extracting benefits of cross linkages in specialties. For example, our coverage for hypertension extends beyond cardiologists and consulting physicians and also includes nephrologists, endocrinologists and diabetologists. The table below provides details on our key mother brand groups within the cardiovascular therapeutic area:

Key Mother	Year of Launch of	Indication	Subgroup (including combinations)	Our Company			
				Market Share	Revenue	CAGR	Prescription Ranking

Brand Groups	Our Product*			Fiscal 2017	Fiscal 2017	Fiscals 2013 to 2017	Fiscal 2017
Eritel	2008	Hypertension	Telmisartan	5.3%	1,022.2	28.5%	4
Olmin	2010	Hypertension	Olmesartan	6.8%	487.1	36.1%	3
Atorsave	2007	Lipid Lowering	Atorvastatin	3.5%	377.3	7.2%	6
LN Bloc	2012	Hypertension	Cilnidipine	10.8%	359.9	168.4	2
Crevast	2010	Lipid Lowering	Rosuvastatin	2.5%	229.6	20.4%	6

*Source: Company internal data.

Source: IMS TSA and Medical Audit MAT, March 2017

Eritel, Olmin and LN Bloc are our flagship mother brand groups in the cardiovascular therapeutic area. Our Eritel mother brand group was the sixth largest in the telmisartan and combinations subgroups in Fiscal 2017. Eritel CH was the largest brand in the chlortalidone and telmisartan combination subgroup with a market share of 14.4% in Fiscal 2017. Eritel LN was the second largest brand in the cilnidipine and telmisartan combination subgroup with a market share of 19.5% in Fiscal 2017. (Source: IMS TSA MAT, March 2017).

Our Olmin mother brand group was the third largest in the Olmesartan and combinations subgroups in Fiscal 2017. Olmin CH was the largest brand in the chlortalidone and olmesartan medoxomil combination subgroup, with a market share of 19.0% in Fiscal 2017. (Source: IMS TSA MAT, March 2017).

Atorsave and Crevast are our flagship mother brand groups in lipid lowering agents. Our Atorsave mother brand was the ninth largest in the atorvastatin and combinations subgroups in Fiscal 2017, with a market share of 3.6% and was ranked second in terms of prescriptions from cardiologists in Fiscal 2017. (Source: IMS TSA and Medical Audit MAT, March 2017).

Anti-diabetics Therapeutic Area

Anti-diabetics is the second largest chronic category in India with a total market size of ₹100,586.2 million in Fiscal 2017 and grew at a CAGR of 19.1% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017). We have focused on the oral anti-diabetics therapeutic area and have created certain leading brands through our doctor and patient engagement model which combines diagnostics assistance to increase the awareness and improve prognosis. Some of these initiatives include continuous glucose monitoring and diabetes related retinopathy. The table below provides details on our key mother brand groups within the anti-diabetics therapeutic area:

Key Mother Brand Groups	Year of Launch of Our Product*	Indication	Subgroup (including combinations)	Revenue in ₹million			
				Our Company			
				Market Share	Revenue	CAGR	Prescription Ranking
				Fiscal 2017	Fiscal 2017	Fiscals 2013 to 2017	Fiscal 2017
Glimisave	2007	Anti-diabetics	Glimepiride	5.5%	1,708.8	29.0%	3
Tendia	2015	Anti-diabetics	Teneligliptin	7.2%	287.8	NA	3
Cyblex	2014	Anti-diabetics	Gliclazide	4.2%	219.9	NA	6
Advog	2009	Anti-diabetics	Voglibose	2.5%	108.7	11.7%	14

*Source: Company internal data.

Source: IMS TSA and Medical Audit MAT, March 2017

The share of oral anti-diabetics as a percentage of overall sales from anti-diabetics (including insulin and devices) has increased from 73.8% in Fiscal 2013 to 74.0% in Fiscal 2017. Glimepiride and combinations accounted for 30.8% of the anti-diabetics market, and 41.6% of the oral anti-diabetics market, in Fiscal 2017. (Source: IMS TSA MAT, March 2017). Glimepiride is used for treating type 2 diabetes in patients who cannot control blood sugar levels by diet and exercise alone. Glimisave, our flagship mother brand group in the Glimepiride and combinations subgroups, ranked seventh in terms of revenues in this subgroup with a market share of 5.5% in Fiscal 2017 and was ranked second in terms of prescriptions by cardiologists, fifth in prescriptions by diabetologists and second in prescriptions by consulting physicians in Fiscal 2017 (Source: IMS TSA and Medical Audit MAT, March 2017). DPP-4 inhibitors or gliptins are also emerging as an alternative therapy in the oral anti-diabetes therapeutic area and accounted for 29.8% of the oral anti-diabetes market in Fiscal 2017 (Source: IMS TSA MAT, March 2017).

Our mother brand Tendia was ranked third in the teneligliptin subgroups in terms of market share by revenue and was ranked third in prescriptions by cardiologists, second in prescriptions by diabetologists and third in prescriptions by consulting physicians based on data as of March 31, 2017 (Source: IMS TSA and Medical Audit, March 2017).

Our initiatives in the anti-diabetics therapeutic area include 'Insight' which is an initiative that enables clinicians and diagnosticians to diagnose early signs and symptoms of diabetic retinopathy. Insight is a comprehensive system which facilitates screening, diagnosis and interpretation of diabetic retinopathy which we believe is unaddressed due to the lack of relevant in-house facilities with most health care professionals treating diabetes. We have also supported the 'Kidney Protection Group' which is an initiative to bring together various medical practitioners for holistic renal management. This initiative aims at bringing together nephrologists, cardiologists and diabetologists to understand various stages and causes of renal damage. It provides a platform to educate clinicians for preventing or managing a renal disorder in diabetic hypertensive patients.

Other Chronic Therapeutic Areas

Our revenues from other therapeutic areas in the chronic category, namely neurology, chronic respiratory, chronic pain (analgesics), and urology were ₹330.2 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017). An overview of our performance in other chronic therapeutic areas is presented in the table below:

Therapeutic Area	Revenue in ₹million	
	Our Company Revenues Fiscal 2017	Our Company CAGR (between Fiscals 2013 and 2017)
Neurology	167.5	11.5%
Chronic Pain (analgesics)	101.2	64.0%
Chronic Respiratory	59.5	15.1%
Urology	2.0	NA
Total	330.2	20.5%

Source: IMS TSA MAT, March 2017

Our Brands in the Acute Category

Gastroenterology and vitamins were the second and third largest therapeutic areas, and accounted for ₹122,262.2 million, or 16.3%, and ₹89,339.7 million, or 11.9%, respectively, of revenues from the acute category in the IPM in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We have developed our mother brand groups in the vitamins and gastroenterology therapeutic areas as a natural extension of our cardiovascular and anti-diabetes product portfolio. In Fiscal 2017, ₹1,923.8 million, or 23.0%, of our revenues were from the gastroenterology and vitamins therapeutic areas (Source: IMS TSA MAT, March 2017), where we have created certain significant brands. The table below provides details on our key mother brand groups within the acute category:

Key Mother Brand Groups	Year of Launch of Our Product*	Indication	Subgroup (including combinations)	(Revenue in ₹ million)			
				Our Company			
				Market Share	Revenue	CAGR	Prescription Ranking
				Fiscal 2017	Fiscal 2017	Fiscals 2013 to 2017	Fiscal 2017
Rabonik	2008	Gastroenterology	Rabeprazole	4.4%	541.8	9.2%	10
Remylin	2007	Vitamins	Mecobalamin+ Colecalciferol	6.3%	529.7	10.2%	8
Tayo	2011	Vitamins	Vitamin D	4.9%	526.7	7.7%	5
Marzon	2011	Anti Infectives	Ampicillin+ Sulbactam	57.0%	187.7	7.6%	1
Velgut	2009	Gastroenterology	Probiotics	3.3%	117.0	(0.8)%	6
Metital	2014	Gynaecology	Inositol	19.7%	119.2	NA	1

*Source: Company internal data.

Source: IMS TSA and Medical Audit MAT, March 2017

Vitamins Therapeutic Area

We have launched four mother brand groups in the Vitamin D sub group, as of Fiscal 2017 (Source: IMS TSA, MAT March 2017). Through our active engagement model with consumers and super specialists such as

cardiologists, diabetologists and endocrinologists, we have been able to create some of the leading brands in the Vitamin D subgroups such as Remylin D and Tayo 60K, which contributed revenues of ₹490.4 million and ₹172.4 million, respectively, for Fiscal 2017. (Source: IMS TSA MAT, March 2017) Remylin D grew at a CAGR of 13.3% and Tayo 60K grew at a CAGR of 12.1% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017). Remylin D was the largest brand in the mecobalamin and cholecalciferol combinations subgroup in Fiscal 2017 in terms of market share by revenues and was ranked first in prescriptions by cardiologists, first in prescriptions by diabetologists and second in prescriptions by consulting physicians in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We believe our presence and growth in the vitamins therapeutic area is a part of our strategy of creating brands which cater to lifestyle related disorders and have to be prescribed over an extended period of time than just a one time incidence related medication.

Gastroenterology Therapeutic Area

We have launched two mother brand groups in the gastrointestinal therapeutic area as of March 31, 2017 (Source: IMS TSA MAT March, 2017). Rabonik is our flagship mother brand group in the gastrointestinal therapeutic area, which includes our brand Rabonik Plus which is a rabeprazole and levosulpiride combination. Revenues from our Rabonik Plus brand for Fiscal 2017 were ₹155.6 million (Source: IMS TSA MAT, March 2017) In addition we launched our MacRabonik brand in 2014, which consists of a delayed dual release of rabeprazole, in order to address compliance gaps with dual dosage requirements of proton pump inhibitors. We have also launched Velgut in 2009 which is a probiotic consisting of nine essential strains of probiotics, beneficial for gastrointestinal health.

Acute Pain-Analgesics Therapeutic Area

Our revenues from the acute pain-analgesics therapeutic area were ₹274.8 million for Fiscal 2017 (Source: IMS TSA MAT March, 2017). In November 2016, we acquired 61.48%, and in December 2016, we acquired an additional 14.00%, of the outstanding equity shares of Kinedex, for an aggregate shareholding in Kinedex of 75.48%. Kinedex primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area within acute pain-analgesics. Kinedex's revenues were ₹830.2 million for Fiscal 2017, and revenues for Rosiflex, Kinedex's top mother brand group, were ₹396.3 million for Fiscal 2017 (Source: IMS TSA, MAT March 2017).

Anti-infectives Therapeutic Area

We launched our mother brand, Marzon, in 2011, to address anti-infectives resistance. Marzon and its extensions are brands of sultamicillin, in the subgroups beta lactam and beta lactamase combination, are used in the treatment of microbial infections such as sinusitis and otitis media.

Gynaecology Therapeutic Area

In the gynaecology therapeutic area we focus on polycystic ovarian syndrome ("PCOS") and PCOS related infertility management. PCOS is an endocrine disorder which affects adolescent girls and women of reproductive age. We have launched our mother brand Metital in 2014, in the gynaecology therapeutic area to address incidences of PCOS.

Other Acute Therapeutic Areas

Our revenues from other therapeutic areas in the acute category, namely acute respiratory, hepatoprotectives, hormones, dermatology and hematology, were ₹241.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017). Our key brands in the acute respiratory therapeutic area are Alerfix and Alerfix Total, in the levocetirizine and combinations subgroup, which had combined revenues of ₹74.4 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017) An overview of our performance in other acute therapeutic areas is presented in the table below:

Therapeutic Area	Our Company's Revenues Fiscal 2017	Revenues in ₹million	
		CAGR (between Fiscals 2013 and 2017)	
Acute Respiratory	162.1	29.4%	
Hepatoprotectives	34.1	(3.7)%	
Hormones	25.6	1.2%	
Dermatology	11.4	NA	

Hematology	8.6	14.8%
Total	241.8	17.5%

Sales, Marketing and Distribution

Our sales team comprised of 1,501 marketing representatives, as on March 31, 2017 which allows us to penetrate the IPM through frequent visits to doctors across all specialties and visits to pharmacies to ensure that our brands are adequately stocked. Our medical representatives cover regions across India, with primary focus in metro cities and class 1 towns.

We strategically use a division-based marketing approach to cater to specialist and super specialists by offering them a wide range of products from our various therapeutic areas. We have created seven sales divisions focusing on developing and growing our engagement with specialists within our focus therapeutic areas. These sales divisions are responsible for commercialization, marketing strategy and engaging with doctors on a regular basis. The table below provides the details of our sales divisions:

Name of Sales Division	Fiscal of launch of Our Division	Therapeutic Areas Covered	Doctor specialty covered	Key Mother Brand Groups/ Brands
Eris	Fiscal 2008	Cardiovascular and Anti-diabetes	Consulting Physicians, Cardiologists, Endocrinologists, Diabetologists, Neurologists, Nephrologists	Glimisave, Eritel, Remylin D
Nikkos	Fiscal 2009	Gastrointestinal and Acute and Chronic Respiratory	Gastroenterologists, ENTs, Endocrinologists, Diabetologists, Consulting Physicians, Cardiologists	Rabonik, Alerfix, Marzon
Adura	Fiscal 2010	Cardiovascular and Anti-diabetes	Consulting Physicians, Cardiologists, Endocrinologists, Diabetologists, Neurologists, Nephrologists	Olmin, Crevast, Tayo 60
Montana	Fiscal 2012	Gynaecology and Paediatrics	Gynaecologists, Paediatricians, Endocrinologists	Metital, Calshine P
Inspira	Fiscal 2013	Cardiovascular and Anti-diabetes	Consulting Physicians, Cardiologists, Endocrinologists, Diabetologists, Nephrologists	LN Bloc
Victus	Fiscal 2014	Anti-diabetes	Endocrinologists, Diabetologists, Consulting Physicians	Tendia, Cyblex
Eris2	Fiscal 2015	Acute and Chronic Pain (analgesics)	Orthopedicians	Mienta, Orthosenz, Reposit

Our commercialization and marketing strategy involves an active engagement with KOLs and doctors which includes round table discussions and seminars on existing treatment gaps, alternative mechanisms of action and change in treatment paradigm. We have developed capabilities in various aspects relating to the commercialization including sales, marketing, quality assurance, distribution, compliance, and regulatory. Our marketing team comprises of professionals who have developed a variety of marketing techniques and programs to promote our products, including promotional materials, speaker programs and industry publications, advertising and other media. Our sales force and marketing team is supported by our strong distribution network across India, which is based on our distribution network. For risks in relation to our sales marketing and distribution initiatives see “**Risk Factors – Internal Risk Factors – We rely on our marketing representatives and distributors for the sale and distribution of our products. A decrease in the number of our marketing representatives or termination of our sales arrangements may adversely affect our business, results of operations and financial condition.**” on page 21.

Our Manufacturing Facility and Arrangements

Manufacturing Facility and Approvals

We currently own and operate a manufacturing facility in Guwahati, Assam (“**Assam Facility**”). Our manufacturing and development capabilities include formulation through process development, scale-up and full-scale commercial manufacturing and specialized capabilities for the development and manufacturing of controlled substances. For Fiscal 2016 and Fiscal 2017, the products manufactured at our Assam Facility contributed to 51.56% and 59.30% of our revenues, respectively.

For Fiscal 2016 and Fiscal 2017, products manufactured at Sozin's manufacturing facility contributed to 28.16% and 18.67% of our revenues, respectively. Our Company was a partner in Sozin up to August 31, 2016 and pursuant to our retirement, production of certain products from Sozin's plant was transitioned to our Assam Facility

The table below provides key details of our Assam Facility, as of March 31, 2017:

Location	Description	Approvals
Plot No. 30 and 31, Brahmaputra Industrial Park, village Sila, Mouza- Silasindurighopa, Guwahati, Assam	Manufacturing facility focused on manufacture of capsules, tablets and sachets, with an installed capacity (on a single shift basis) of 999.99 million tablets, 83.02 million capsules and 18.00 million sachets per annum and spread over 76,617.51 sq. feet built up area.	adheres to WHO GMP guidelines

The capacity utilization at our Assam Facility was as follows:

Product	Output in million units					
	Fiscal 2015		Fiscal 2016		Fiscal 2017	
	Output*	Utilization*	Output	Utilization	Output	Utilization
Tablets	379.72	37.97%	508.37	50.84%	760.53	76.05%
Capsules	55.52	66.87%	41.40	49.87%	47.83	57.61%
Sachets	2.65	14.70%	3.85	21.38%	3.53	19.62%

*Commercial production commenced in May, 2014.

Capacity utilization = Output / Installed capacity. Installed capacity is calculated assuming operations on a single shift basis. The manufacturing plant can operate up to a maximum of three shifts per day.

The increase in production capacity at our manufacturing facility shall be based on future business conditions and approval from government authorities, as applicable. We have arrangements for regular power and water supply at our manufacturing facility together with provisions for back-up such as diesel generator sets. For risks in relation to our manufacturing facility see **“Risk Factors – Internal Risk Factors – Any disruption in production at, or shutdown of, our manufacturing facility could adversely affect our business, results of operations and financial condition.”** on page 18.

Fiscal Incentives

We benefit from certain tax regulations and incentives that accord favorable treatment to our manufacturing facility. For example, the NEIIP is applicable to our Assam Facility, pursuant to which, our Company is eligible to avail of certain tax incentives including income tax and excise duty exemption for a period of 10 years (until Fiscal 2024 and 2025, respectively), in addition to certain capital investment and trade subsidies. See **“Risk Factors – Internal Risk Factors – Any reduction in or termination of tax incentives we enjoy may affect our business, results of operations and financial condition.”** on page 23.

Third Party Manufacturers

In addition to our manufacturing facility, we source finished products from third party manufacturers, and currently use approximately 20 third party manufacturers in India. For Fiscal 2016 and Fiscal 2017, products manufactured through third party manufacturing arrangements contributed to 20.28% and 22.03% of our total revenues, respectively. Sale of products manufactured through our top five third party manufacturers contributed to 10.70% and 10.90% of our total revenues for Fiscal 2016 and Fiscal 2017, respectively. Our key products manufactured through third party manufacturing arrangements include mother brand groups Marzon and Tendia and our brand Calshine P which had revenues of ₹187.7 million, ₹287.8 million and ₹137.1 million for Fiscal 2017, respectively (Source: IMS TSA MAT, March 2017). We typically enter into third party manufacturing agreements for periods ranging from one to three years. Under third party manufacturing arrangements our third party manufacturers typically indemnify us for all losses and damages arising from claims and liabilities due to a breach by the manufacturers, defects in the products produced and arising from the manufacturer, storage and distribution of the products. See **“Risk Factors – Internal Risk Factors – Any disruption in production at, or shutdown of, our manufacturing facility could adversely affect our business, results of operations and financial condition.”** on page 18.

Quality Assurance

Our quality control department, consisting of 22 employees as of March 31, 2017, is located at our Assam Facility. Our quality control department prepares standard operating procedures for quality assurance, handles product quality related complaints, manages product quality deviations and change controls, risk analysis, internal audit, product recalls and ensures that the materials received from our approved list of vendors comply with our internal standards and specifications. Our manufacturing processes are subject to various internal quality and system checks, designed to ensure that our products meet the norms prescribed by the Indian regulators. Implementation of our quality policy is done through quality systems based on WHO GMP in conformity with national standards. Periodic self-inspections and audits are conducted to monitor the effective implementation of quality systems. We are assessed periodically in accordance with applicable GMP. See “**Risk Factors – Internal Risk Factors – Any quality control problems at our manufacturing facility or those of our third party manufacturers may damage our reputation and expose us to litigation or other liabilities, which could adversely affect our results of operations and financial condition.**” on page 20.

Raw Materials and Packaging Materials

We purchase APIs and other raw materials such as excipients and primary and secondary packaging materials from third parties. We do not have any long term contracts with our external suppliers. Prices are typically negotiated for each purchase order. For Fiscal 2016, we sourced 57.79% of our APIs, 77.44% of our excipients and 78.26% of our packaging materials and for Fiscal 2017 we sourced 52.46% of our APIs, 68.42% of our excipients and 72.63% of our packaging materials, from our top five suppliers for the respective Fiscals. For risks relating to our sourcing requirements, see “**Risk Factors – Internal Risk Factors – Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.**” on page 20.

Human Resources

Our work force is a critical factor in maintaining quality and safety which strengthen our competitive position and our human resource policies focus on training and retaining our employees. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. We impart commencement training to our personnel and supplementary training is delivered periodically by electronic means which includes assessment and feedback. We conduct periodic assessments by way of online assessment questionnaires.

We offer our employees performance-linked incentives and benefits and conduct employee engagement programs from time-to-time. We also hire contract labor for our manufacturing facility, from time to time. We believe we have good relations with our employees. As of March 31, 2017, we had 2,645 employees. The table below provides the breakdown of our employees as of March 31, 2017:

as of March 31, 2017

Particulars	Number of Employees	% of Total Employees
Medical Representatives	1,501	56.75%
Field Managers	696	26.31%
Manufacturing Facility employees	198	7.49%
Corporate Office		
Sales and Marketing	60	2.27%
Intellectual Property and Research	32	1.21%
Distribution and IT	47	1.78%
Administration	32	1.21%
Finance, Accounting and Legal	33	1.25%
Human Resources	17	0.64%
Others	29	1.10%
Total Employees	2,645	100.00%

Information Technology

Our IT systems are vital to our business and we have adopted an IT policy to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure

services to support our business requirements, maintaining secure enterprise operations through, among others, risk assessment, planning and mitigation policies, and identifying emerging technologies which may be beneficial to our operations. We have implemented an ERP system to handle purchase of goods, services, inventory, supply chain management, invoicing, accounting, payments, collections, reconciliation, taxation, regulatory compliance, human resources management and other business functions.

We have also implemented a sales personnel management system which has the capability to record data at the headquarter level as well as in relation to each employee, including presenting analysis and historical trends. The system also tracks work days, work effort, follow up actions for management review and plans for improvement. It is capable of importing ERP data and generating reports which assist in effective management. The integration of our information technology systems with our sales and distribution infrastructure enables us to standardize our processes, reduce cost, enhance productivity, improve workflow and communications and improve our risk control mechanisms.

Regulatory and Environmental Matters

We are subject to extensive environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection, hazardous waste management and noise pollution, in relation to our manufacturing facility. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. Any failure to comply with the applicable environmental or other laws and regulations may subject us to penalties and may also result in the closure of our facility. See ***“Risk Factors – Internal Risk Factors – The Indian pharmaceutical market is subject to extensive regulation. In the event of any failure to comply with the applicable regulations prescribed by central and state governments and regulatory agencies in India, our business, results of operations and financial condition could be adversely affected.”*** on page 22 and ***“Key Regulations and Policies”*** on page 123.

Health and Safety

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facility or under our management.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We believe we are in compliance with applicable health and safety laws and regulations. We also believe that our manufacturing facility possesses adequate effluent treatment processes and minimize any contamination of the surrounding environment or pollution. See ***“Risk Factors – Internal Risk Factors – Compliance with, and changes in, safety, health and environmental laws and various labor, workplace and related laws and regulations including terms of approvals granted to us, may increase our compliance costs and as such adversely affect our business, results of operations and financial condition.”*** on page 25.

Intellectual Property and Research and Development

As of March 31, 2017, we have a team of 32 personnel working in our intellectual property and research and development department. In addition as on date of this Prospectus we had 142 registered trademarks, including our flagship trademark ‘Eris’. Further, as on May 20, 2017, we have also made applications seeking registration for more than 200 trademarks with the Registrar of Trademarks, under the Trademarks Act.

We have obtained registration for or have applied for registration under the Trademarks Act in respect of our top ten brands under various classes. For instance, as on the date of this Prospectus, from our top ten brands, we have obtained registration for Remylin, Glimisave, Tayo, Eritel, Rabonik and Crevast. Further, while we have made trademark applications in respect of Atorsave, Olmin, Tendia and LnBloc, which are among our top ten brands, these applications have been opposed to by certain third parties. See ***“Government and Other Approvals – Intellectual Property Approvals – Trademarks”*** on page 268.

Competition

We compete with companies in the Indian market based on therapeutic and product categories, and within each category, upon dosage strengths and drug delivery. Our principal competitors include Glaxosmithkline Pharmaceuticals Limited, Abbott India Limited, Pfizer Limited and Sanofi India Limited. See “**Industry Overview – Competitive Landscape – Top Companies by Prescription Rank**” and “**Risk Factors – Internal Risk Factors – If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition**” on pages 98 and 26, respectively.

Insurance

Our operations are subject to hazards inherent in manufacturing pharmaceuticals such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards. Our principal types of coverage include insurance burglary and standard fire and special perils policy, which cover our manufacturing facility and warehouses, money insurance policy, motor insurance policy, boiler and pressure plant insurance policy, machinery breakdown insurance policy, electronic equipment insurance policy, devices insurance policy, marine cargo policy, directors’ and officers’ management liability. Our insurance policies may not be sufficient to cover our economic loss. See “**Risk Factors – Internal Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition**” on page 27.

Properties

Our Registered Office located at 21 New York Tower, Thaltej Cross Roads, Ahmedabad, Gujarat, India is owned by our Company. Our manufacturing facility at Plot No. 30 and 31, Brahmaputra Industrial Park, village Sila, Mouza- Silasindurighopa, Guwahati, Assam, is located on land owned by our Company. In addition, we have leased a warehouse located in Kamrup, Assam, the lease period for which is valid until October 31, 2019. Further, our corporate office is situated on land that we occupy on a leasehold basis. For further details see “**Risk Factors – Internal Risk Factors – Some of the properties used by our Company including our Corporate Office are occupied by our Company on lease basis. Any termination of the lease(s) or our failure to renew the same in a favorable, timely manner, or at all, could adversely affect our activities.**” on page 30.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company and its business. The information detailed in this chapter, is based on the current provisions of Indian laws which are subject to amendments, changes and modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Industry specific legislations

The Drugs and Cosmetics Act, 1940 (“DCA”) and the rules framed thereunder

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics in India and prohibits the manufacture for sale and distribution of drugs and cosmetics which are misbranded, adulterated, spurious or harmful. It further prohibits the distribution or sale of any drug or cosmetic which has been imported or manufactured in contravention of any of the provisions of DCA or any rule made there under. The DCA also provides the procedure for testing and licensing of new drugs.

The Drugs and Cosmetics Rules, 1945 (“**DC Rules**”) have been framed to give effect to the provisions of the DCA to regulate the manufacture, distribution and sale of drugs and cosmetics in India. The DC Rules provide for the requirement of obtaining a license for the manufacture or sale of any drug or cosmetic as well as for the stocking, sale or wholesale distribution of drugs or cosmetics. The DC Rules also prescribe the drugs, classes of drugs, cosmetics and classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licence. It further provides for the cancellation or suspension of such licence in any case where any provision or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence issued, is not complied with.

The DC Rules provide for the grant of a certificate of GMP. The GMP provides for general requirements for facilities manufacturing drugs or cosmetics, including but not limited to, location and surroundings of the factory building, maintenance of water systems, waste disposal mechanisms, warehousing, sanitation in manufacturing premises, health and clothing and sanitation of workers. It is mandatory for every pharmaceutical facility to obtain a certificate of GMP.

The Drugs Price Control Order, 2013 (“DPCO”)

In May 2013, the Central Government in exercise of its powers under the Essential Commodities Act, 1955 (“**ECA**”) issued the DPCO. The DPCO provides that the government may, in order to achieve adequate availability and to regulate the distribution of drugs, in cases of emergency or in the public interest, direct any manufacturer of any active pharmaceutical ingredient or bulk drug or formulation to increase the production and to sell such active pharmaceutical ingredient or bulk drug to such other manufacturer(s) of formulations and to direct formulators to sell the formulations to institutions, hospitals or any agency as the case may be.

The formulae for calculation of ceiling prices and retail prices of drug formulation have been laid down by the DPCO. It also provides the list of certain price-controlled drugs and the penalty for contravention of the DPCO has been provided under Section 7 of the ECA. The DPCO provides that when an existing manufacturer of a drug with dosages and strengths as specified in National List of Essential Medicines launches a new drug, such existing manufacturer is required to apply for prior price approval of such new drug from the government.

Under the provisions of the DPCO, every manufacturer of a schedule formulation intended for sale shall display in indelible print mark, on the label of container of the formulation and the minimum pack thereof offered for retail sale, the maximum retail price of that formulation based on the ceiling price notified in the Official Gazette or ordered by the government in this behalf, with the words "Maximum Retail Price" preceding it and the words 'inclusive of all taxes' succeeding it.

The DPCO prescribes certain instances in which case the provision of the DPCO will not be applicable, for instances, in the event a manufacturer produces a new drug patented under the Indian Patent Act, 1970 through a product patent which has been developed through indigenous research and development, the DPCO will not be applicable to such drug for a period of five years from the date of commencement of its commercial production in the country.

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (“DMRA”)

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper, or other document, and any announcement made orally or by any means of producing or transmitting light, sound or smoke. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead.

The Narcotics Drugs and Psychotropic Substances Act, 1985 (“NDPS Act”)

The NDPS Act has been enacted to make stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances, to provide for the forfeiture of property derived from, or used in the illicit traffic in narcotic drugs and psychotropic substances and to implement the provisions of the International Convention on Narcotic Drugs and Psychotropic Substances. The NDPS Act authorises the Central Government to take all such measures as it deems necessary or expedient for the purpose of preventing and combating abuse of narcotic drugs and psychotropic substances. The NDPS Act prohibits the production, manufacture, possession, sale, purchase, transportation, warehousing, usage, consumption, import or export of any narcotic drug or psychotropic substance, except for genuine medical or genuine scientific purposes as provided. The Narcotic Drugs and Psychotropic Substances Rules, 1985 (“**NDPS Rules**”) prescribes the requirement to obtain a license for the purpose of manufacturing of synthetic manufactured drugs. The licensee is not permitted to possess, sell or distribute the drugs otherwise than in accordance with the rules laid down by the state governments. It also prohibits the manufacturing of psychotropic substances without obtaining a license from the government. The Narcotics Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013 (“**Regulation of Controlled Substances Order**”) prohibits the manufacture, possession and consumption of controlled substances without obtaining a registration from the Zonal Director of Narcotics Control Bureau.

Environmental law legislations

Air Prevention and Control of Pollution Act, 1981 (“Air Act”)

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. The central pollution control board and state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act apply.

Water Prevention and Control of Pollution Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore water purity. The Water Act provides for one central pollution control board, as well as various state pollution control boards, to be formed to implement its provisions. Under the Water Act, any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the prior consent of the relevant state pollution control board.

Additionally, the Water (Prevention and Control of Pollution) Cess Act, 1977 (“**Water Cess Act**”) requires a person carrying on any operation or process, or treatment and disposal system, which consumes water or gives rise to sewage effluent or trade effluent, other than a hydel power unit, to pay a cess in this regard. The cess to be paid is to be calculated on the basis of the amount of water consumed by such industry and the industrial purpose for which the water is consumed, as per the rates specified under the Water Cess Act.

Biomedical Waste (Management and Handling) Rules, 2016 (“BWM Rules”)

The BWM Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose, or handle biomedical waste in any form. The BWM Rules require persons to obtain an authorization from the relevant state pollution control board for operating a facility which generates, receives, stores or disposes of biomedical waste. The BWM Rules provide the duties of the occupier of the premises. The Rules also provide the manner of treating, packaging, collecting, transporting, storing and disposing of biomedical waste. The standards for treatment and disposal of the biomedical wastes have been laid down under the BWM Rules.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. Every occupier and operator of a facility generating hazardous waste must obtain approval from the relevant state pollution control board. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

Labour law legislations

Factories Act, 1948 (“Factories Act”)

Factories Act defines a ‘factory’ to cover any premises which employs ten or more workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power or any premises where at least twenty workers are employed in a manufacturing process.

Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The Factories Act also provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

Sales Promotion Employees (Conditions of Service) Act, 1976 (“Sales Promotion Act”)

The Sales Promotion Act regulates the conditions of service of employees engaged in the promotion of sales or business (other than an employee engaged in a managerial capacity or engaged in a supervisory capacity whose earning exceeds ₹ 1,600 per month) in the pharmaceutical industry. It provides the conditions of appointment, leave and maintenance of registers and other documents of such employees.

In addition to the Factories Act and the Sales Promotion Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

- i. Contract Labour (Regulation and Abolition) Act, 1970;
- ii. Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- iii. Employees' State Insurance Act, 1948;
- iv. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- v. Minimum Wages Act, 1948;
- vi. Payment of Bonus Act, 1965;
- vii. Payment of Gratuity Act, 1972;
- viii. Payment of Wages Act, 1936;
- ix. Maternity Benefit Act, 1961;
- x. Industrial Disputes Act, 1947; and
- xi. Employees' Compensation Act, 1923.

Foreign Investment laws

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”) along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the Consolidated FDI Policy (“**FDI Policy**”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) from time to time. Under the current FDI Policy (effective June 12, 2016) foreign investment up to 100% of the paid-up share capital of a company engaged in the pharmaceutical sector is permitted under the automatic route for greenfield investments, whereas for brownfield investments, foreign investment up to 74% of such company’s paid-up share capital is permitted under

the automatic route and foreign investment exceeding 74% up to 100% is permitted under the government route (i.e., with a prior approval from the Government of India).

In terms of applicable FEMA regulations and the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, investments by Foreign Portfolio Investors (“**FPI**”) in the capital of an Indian company under the SEBI (Foreign Portfolio Investors) Regulations, 2014 is subject to certain limits, i.e. the individual holding of an FPI is restricted to below 10% of the capital of the company and the aggregate limit for FPI investment is capped at 24% of the capital of the company. Such aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Further, pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme (“**PIS**”) is subject to certain limits, i.e., 10% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI.

Our Company has passed a Board resolution dated February 2, 2017 and shareholders’ resolution dated February 3, 2017 to increase the aggregate limits for investments by FPIs and NRIs to 49% and 24% of our paid-up Equity Share capital, respectively. Thereafter our Company intimated the RBI about such increase in investment limits, however, the RBI pursuant to an email dated March 17, 2017 noted that our Company is an unlisted company and directed us to refile our intimation with the RBI after listing of our Equity Shares on the Stock Exchanges.

Other applicable laws

The Trademarks Act, 1999 (“Trademarks Act”)

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. The Trademarks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. The Trademark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademarks Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

Shops & Establishments legislations in various states

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

The Indian Boilers Act, 1923 (“Boiler Act”)

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act also provide for penalties for illegal use of boilers.

The Legal Metrology Act, 2009 (“Legal Metrology Act”)

The Legal Metrology Act came into effect from April 1, 2011 replacing the Standard Weights and Measure, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. It was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights and measures and other goods which are sold or distributed by weight, measure or number. Under the Legal Metrology Act, all the manufacturers

of packaged merchandise are required to obtain a license from Controller, Legal Metrology, Government of India. Further, a company may also nominate a director who would, along with the company, be held responsible for any act resulting in violation of provisions of the Legal Metrology Act. The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers.

North East Industrial and Investment Promotion Policy, 2007

The NEIIPP is applicable to new and existing units, which undertake a substantial expansion in the north eastern states of India and which commence commercial production within the 10 year period from the date of notification of NEIIPP, i.e., until (until Fiscal 2024 and 2025, respectively). The NEIIPP prescribes that such units will be eligible for certain fiscal incentives. For details of the special tax benefits that accrue to us under the NEIIPP, see “***Statement of Tax Benefits***” on page 88.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as “Eris Lifescience Private Limited” on January 25, 2007, as a private limited company under the Companies Act 1956, at Ahmedabad, with a certificate of incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Pursuant to a resolution of our Shareholders dated February 5, 2007, the name of our Company was changed to “Eris Lifesciences Private Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on February 9, 2007. Further, pursuant to a conversion of our Company to a public limited company, and as approved by our Shareholders through a resolution dated January 31, 2017, our name was changed to “Eris Lifesciences Limited” and the RoC issued a fresh certificate of incorporation on February 2, 2017.

Business and management

For a description of our activities, products, technology, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, environmental issues, regional geographical segment etc., see “*Our Business*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 105, 92 and 234, respectively. For details of the management of our Company and its managerial competence, see “*Our Management*” on page 135.

Changes in Registered Office

Except the change of our registered office from A/F-10, Kanchan Pharma House, Aslali, Ahmedabad 382 427, Gujarat, India to 21, New York Tower A, near Muktidham Temple, Thaltej Cross Road, Thaltej, Ahmedabad 380 054, Gujarat, India with effect from May 8, 2012, on account of administrative convenience and economic reasons, there has been no other changes in the registered office of our Company.

Our main objects

The main objects of our Company as contained in our Memorandum of Association are:

1. To carrying in India or elsewhere the business to manufacture, produce, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil, sterilize, improve, extract, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, research, discover, manipulate, market, supply and to act as agent broker, adatia, representative, consultant, collaborator, stockists, liasioner, middlemen, job worker, or otherwise to deal in all types, descriptions, specifications, strengths and applications of pharmaceuticals and chemicals products or medicaments in all its branches such as allopathic, ayurvedic, homeopathic, herbal, unani, siddha, bio-chemic, used for treatment, cure and health care of human beings and animals including basis drugs, intermediates, tonics, antibiotics, enzymes, steroids, vitamins, hormones, biological, and immunological chemicals, contraceptives, surgical plaster of paris, surgical dressing, belladonna plasters, dressings, bandages, waddings, gauzes, adesivess, belts, sutures, ligatures, rubber goods, vaccines, toxins, ferments, yeasts, medical gases, diagnostics agents, oil and tinctures, medicinal products in all forms such as capsules, tablets powders, ointment, syrups, injectable, pills, fluids, granules, sprayers, inhalers, mineral waters, droppers, remove, veterinary medicines, poultry medicines, herbal products, their by-products, intermediates/residues, mixtures, compounds and other allied goods and to do all such acts and things necessary for the attainment of the above objects.
2. To earn revenue through the manufacture, marketing, promotion, propagation, distribution, sale or otherwise of medical devices, medical appliances, medical instruments, drug delivery equipment or any other medical, diagnostic, treatment, or patient supportive paraphernalia, in any form, through whole-sale or retail whether through physical or virtual or electronic mediums.

The main objects clause and objects incidental or ancillary to the main objects as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

Since the incorporation of our Company the following changes have been made to our Memorandum of Association:

Date of change/ shareholders' resolution	Nature of amendment
February 5, 2007	Clause I of the Memorandum of Association was altered to reflect the change in name of our Company from “Eris Lifescience Private Limited” to “Eris Lifesciences Private Limited”.
December 19, 2008	The authorized share capital of our Company was increased from ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each to ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each.
July 25, 2010	Alteration of Clause III (A) of the Memorandum of Association, by inserting the following new Clause as I-I(A)(2) - <i>“2. To earn revenue through leasing or sub-leasing the Tethered Helium Balloon and nearby premises or sites in India.”</i>
June 16, 2012	The authorized share capital of our Company was increased from ₹ 20,000,000 divided into 2,000,000 equity shares of ₹ 10 each to ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each.
September 5, 2016	The authorized share capital of our Company of ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each was altered to ₹ 100,000,000 divided into ₹ 100,000,000 Equity Shares of ₹ 1 each. The authorized share capital of our Company was increased from ₹ 100,000,000 divided into 100,000,000 Equity Shares to ₹ 300,000,000 divided into 300,000,000 Equity Shares.
January 5, 2017	Clause III(A)(2) of the Memorandum of Association was altered from – <i>“2. To earn revenue through leasing or sub-leasing the Tethered Helium Balloon and nearby premises or sites in India.”</i> to <i>“2. To earn revenue through the manufacture, marketing, promotion, propagation, distribution, sale or otherwise of medical devices, medical appliances, medical instruments, drug delivery equipment or any other medical, diagnostic, treatment, or patient supportive paraphernalia, in any form, through whole-sale or retail whether through physical or virtual or electronic mediums.”</i> Clause III(B)(40) of the Memorandum of Association was inserted to include the following – <i>“40. To lend, license, or relinquish money or other objects or properties of value, with or without or for inadequate consideration to any institution, person, association, society, corporation, or company on such terms and on such security as may be seen expedient and to give guarantee and indemnities.”</i> Clause III(C) of the Memorandum of Association was deleted
January 31, 2017	Clause I of the Memorandum of Association was altered to reflect the change in name of our Company from “Eris Lifesciences Private Limited” to “Eris Lifesciences Limited”.

Total Number of shareholders of our Company

As on the date of this Prospectus, our Company has nine Shareholders. For further details on the shareholding of our Company, see “**Capital Structure**” on page 68.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Details
2007	Incorporation of our Company Launched “Eris” division focused on cardiology and diabetes segment
2008	Launched “Nikkos” division focused on gastroenterology and orthopedics segment
2009	Launched “Adura” division focused on cardiology and diabetes segment
2011	Launched “Montana” division focused on gynecology and pediatrics segment
2012	Launched “Inspira” division focused on cardiology segment
2014	Launched “Victus” division focused on anti-diabetes segment Set up Assam Facility by our Company
2015	Launched “Eris 2” division focused on pain management segment
2016	Acquired 40 registered and unregistered trademarks from Amay Pharmaceuticals Private Limited (now, Aprica Pharmaceuticals Private Limited) Acquired 100.00% of the outstanding equity shares of Aprica Healthcare Private Limited Acquired 75.48% of the outstanding equity shares of Kinedex Healthcare Private Limited
2017	Acquired the trademarks ‘UNION’, ‘REUNION’ and ‘BON UNION’

Awards and Accreditations

Calendar Year	Details
2013	Awarded ‘Competitive Strategy Leadership’ award by Frost & Sullivan Awarded ‘Emerging Companies Excellence’ award for scalability of business model and managing operational efficiencies by Business Today and Yes Bank

Changes in activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years from the date of this Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Capital raising (Equity/ Debt)

Our equity issuances in the past has been provided in “**Capital Structure**” on page 68. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

Strike and lock-outs

We have not experienced any strike, lock-outs or labour unrest since incorporation.

Time/cost overrun

There have been no time/cost overruns pertaining to our business operations since incorporation.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company.

As on the date of this Prospectus, our Company does not have any outstanding debt. Further, there have been no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company.

Injunctions or Restraining Order against our Company

Except as disclosed in “**Outstanding Litigation and Material Developments**” on page 260, there are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation since incorporation, except as disclosed below.

Acquisition of trademarks from Amay Pharmaceuticals Private Limited (previously Aprica Pharmaceuticals Private Limited) and acquisition of Aprica Healthcare Private Limited

Our Company acquired 40 brands (comprising registered and unregistered trademarks) from Amay Pharma for a total consideration of ₹ 328.70 million with effect from July 1, 2016 pursuant to a deed of assignment dated August 6, 2016 entered into between Amay Pharma, Mr. Maharshi Sanjaykumar Vyas and our Company. Our Company also entered into a non-competition and non-solicitation agreement dated September 27, 2016 with Amay Pharma, pursuant to which Amay Pharma is restricted, for a period of five years from September 27, 2016, from owning, controlling, financing, management, operating or participating in the ownership, control, finance, or operation of or providing any services to or on behalf of any person engaged in the marketing and selling of prescription and non-prescription pharmaceutical products in the identified therapeutic areas in India and soliciting business of any customer or consultant of the Company. The consideration paid by our Company in this regard was ₹ 50.00 million.

Further, our Company acquired the entire equity shareholding of Aprica Health from Mr. Maharshi Sanjaykumar Vyas and Mr. Maulik Pandya, who incorporated Aprica Health. As certified by our Statutory Auditor pursuant to certificate dated February 3, 2017, the consideration for such acquisition was ₹ 0.10 million which was paid by our Company out of our internal accruals. Subsequent to such acquisition, our Company entered into a non-exclusive trademark licence agreement dated July 12, 2016 (“**Aprica Trademark Licence Agreement**”), pursuant to which some of the trademarks acquired by our Company have been licensed to our Subsidiary, Aprica Health for a period of two years against certain agreed annual royalty payments which are linked to the monthly net sales, such that in the event the net sales of products bearing the Aprica trademarks amount up to ₹ 90.00 million per month, a royalty of 1% of such net sales is payable by Aprica Health to our Company, if the monthly net sales are between ₹ 90.00 million to ₹ 120.00 million, a royalty of 3% of such net sales is payable and if the monthly net sales are above ₹ 120.00 million, a royalty of 5% of the net sales is payable by Aprica Health.

Share purchase agreement dated November 23, 2016 entered into among our Company and Udane Limited, PharmaServ Ventures Private Limited, Zydus Trading Company Limited, Ashok Gajanan Paigankar, Suneela Ashok Paigankar, Sameer Paigankar, PharmaServ Solutions Private Limited, Gayatri Desai and Rakesh Mangwana (collectively the “Tranche 1 Sellers”) and share purchase and shareholders’ agreement dated December 12, 2016 (“SPSHA”) among our Company, Kinedex and Rakesh Dhuria, Anita Dhuria, Neeru Dhuria, Atul Arora and Rakesh Dhuria & Son (HUF) (collectively “Tranche 2 Sellers”)

Pursuant to the share purchase agreement dated November 23, 2016, our Company purchased 112,210 equity shares of Kinedex from the Tranche 1 Sellers, representing to 61.48% of the total outstanding issued, subscribed and paid up share capital of Kinedex for an aggregate consideration of ₹ 628.66 million. Thereafter, our Company entered into the SPSHA, pursuant to which it purchased an additional 25,548 equity shares of Kinedex from the Tranche 2 Sellers for an aggregate consideration of ₹ 143.13 million, such that our Company holds 75.48% of the total outstanding issued, subscribed and paid up share capital of Kinedex as on the date of this Prospectus. As certified by our statutory auditor, pursuant to certificate dated February 3, 2017, the total consideration was ₹ 771.79 million, which was paid by our Company out of our internal accruals. In accordance with the terms of the SPSHA, our Company has the right to nominate three directors on the board of directors of Kinedex. Further, our Company has also been granted certain rights and obligations including the right of first refusal in the event of a proposed transfer by certain existing shareholders as well as a right of first offer in the event either our the certain other shareholders of Kinedex propose to transfer their shares.

Material Agreements

Shareholders’ agreement (“SHA”) dated August 26, 2011 entered into among our Company, Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Rajendrakumar Rambhai Patel, Mr. Inderjeet Singh Negi, Mr. Hetal Rasiklal Shah, Mr. Kaushal Kamlesh Shah, Mr. Rakeshbhai Bhikhabhai Shah and Mr. Bhikhabhai Chimanlal Shah (collectively the “Company Shareholders”) and Botticelli as amended by the amendment agreement dated January 20, 2017

Pursuant to the share purchase agreement dated August 26, 2011, Botticelli purchased 22,344 Equity Shares from the Company Shareholders, aggregating to 16.25% of the total outstanding issued subscribed and paid up share capital of our Company on a fully diluted basis. For further details of the shareholding of Botticelli in our Company, see “**Capital Structure**” on page 68.

In accordance with the terms of the SHA, Botticelli has certain rights and obligations including pre-emptive rights in the event our Company issues any new securities, the right to nominate a director on the Board of Directors, committees of the Board of Directors as well as a Director on the board of a Subsidiary, the right to avail financial information including the quarterly management accounts, reports and other information, pre-emptive rights, exit rights, tag-along rights and the right of first offer in the event of a proposed transfer of shares by certain existing shareholders, subject to certain conditions as provided in the SHA. The SHA also provides that Botticelli is required to hold at least 5,000 Equity Shares to exercise certain rights including the right to have financial information, right to nominate a director on the Board of Directors of our Company as well as on the board of a Subsidiary.

Further, one of our Promoters, Mr. Amit Indubhushan Bakshi also has certain rights under the share purchase agreement, including the right to nominate two directors and the chairman of our Board, right to appoint key employees, the right of first refusal and the right of first offer in the event of a proposed transfer of shares by certain existing shareholders.

The SHA will automatically terminate upon the consummation of an initial public offering by our Company, without requiring any further action by any party.

Other Agreements

Tie-up agreement dated May 1, 2017 among our Company, Pharmanza Herbal Private Limited, Aeran Lab (India) Private Limited (“Aeran”), Mr. Sanjeev Agrawal and Ms. Babita Agrawal, the deed of assignment of trademarks and deed of assignment of tradenames (with goodwill) each dated May 1, 2017 among our Company, Mr. Sanjeev Agrawal, Ms. Babita Agrawal and Aeran and the deed of assignment dated May 1, 2017 among our Company, Mr. Sanjeev Agrawal and Ms. Babita Agrawal.

Our Company entered into a tie-up agreement dated May 1, 2017 (“**Tie-up Agreement**”) with Pharmanza Herbal Private Limited (“**Pharmanza**”), Aeran, Mr. Sanjeev Agrawal and Ms. Babita Agrawal pursuant to which the exclusive right to market in India, certain nutraceutical and ayurvedic preparations manufactured by Pharmanza using an extract derived from a terrestrial plant ‘Dalbergia Sissoo’ (“**DS Products**”), was conferred upon our Company. Pharmanza is, pursuant to a licensing agreement with Council of Scientific and Industrial Research – Central Drug Research Institute, Lucknow, authorised to manufacture and sell the DS Products (the “**Parent Agreement**”). Our Company is also bound by the terms of the Parent Agreement in so far as they pertain to the sales and marketing of DS Products in India. Our Company, pursuant to the Tie-up Agreement, is required to commit to a minimum supply order of ₹ 25 million to ₹ 30 million per annum from Pharmanza for the DS Products. In this respect, our Company also entered into a deed of assignment of trademarks (without goodwill) (“**Assignment of Trademarks**”), a deed of assignment of tradenames (with goodwill) (“**Assignment of Tradenames**”), each dated May 1, 2017 with Mr. Sanjeev Agrawal, Ms. Babita Agrawal (the owners of the trademark) and Aeran (the owner of tradename) and a deed of assignment dated May 1, 2017 with Mr. Sanjeev Agrawal and Ms. Babita Agrawal (“**Assignment of Bon Union**”).

Pursuant to the Assignment of Trademarks, Mr. Sanjeev Agrawal and Ms. Babita Agrawal assigned in perpetuity the title to and all rights in the trademarks, ‘UNION’ and ‘REUNION’ for a consideration of ₹ 5 million and ₹ 55 million, respectively to our Company. Mr. Sanjeev Agrawal and Ms. Babita Agrawal also agreed not to engage, either directly or indirectly, or launch any products in certain segments including gynaecology, orthopaedics, endocrinology and neurology for a period of five years from the date of such assignment.

Further, pursuant to the Assignment of Tradenames, Aeran transferred and assigned in perpetuity the tradenames ‘UNION’ and ‘REUNION’ along with the goodwill associated with these tradenames for a consideration of ₹ 40 million to our Company. In the event our Company achieves net sales exceeding ₹ 120 million within 15 months from the launch of the products associated with the “UNION” and “REUNION” tradenames in the market, our Company would be required to pay ₹ 20 million as additional consideration to Aeran. Aeran also agreed not to engage, either directly or indirectly, or launch any products in certain segments including gynaecology, orthopaedics, endocrinology and neurology for a period of five years from the date of such assignment. Our Company also entered into the Assignment of Bon Union for the assignment and transfer of a trademark ‘BON UNION’ to our Company for an aggregate consideration of ₹ 5,000.

Except as disclosed hereinabove and the the agreements disclosed in “– **Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.**” on page 130, our Company has not

entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years preceding this Prospectus.

Holding Company

As of the date of this Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Prospectus, our Company has three Subsidiaries, as described below.

1. Eris Therapeutics Private Limited (“ETPL”)

ETPL was incorporated under the Companies Act, 1956 on July 30, 2009, as a private limited company with the RoC. Its CIN is U24230GJ2009PTC057670 and its registered office is located at 21, New York Tower A, near Muktidham Temple, Thaltej Cross Road, Thaltej, Ahmedabad 380 054, Gujarat, India. ETPL is authorised to carry on, among other things, the business of dealing in healthcare and pharmaceutical items and to undertake marketing or research services in the field of healthcare and pharmaceutical products. ETPL is currently not engaged in any business activity.

The authorized share capital of ETPL is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. Our Company currently holds 10,000 equity shares of ETPL (directly and through our nominee Mr. Amit Indubhushan Bakshi) which is equivalent to 100% of the issued equity share capital of ETPL.

There are no accumulated profits or losses of ETPL not accounted for by our Company.

2. Aprica Health

Aprica Health was incorporated under the Companies Act, 2013 on July 12, 2016, as a private limited company with the RoC. Its CIN is U24290GJ2016PTC092903 and its registered office is located at A/4, fourth floor, Safal Profitaire, Corporate Road, Prahladnagar, Satellite, Ahmedabad 380 015, Gujarat, India. Aprica Health is authorised to carry on, among other things, the business of manufacture, process, develop, wholesale and/or retail trade of pharmaceuticals, drugs and healthcare products and also to carry on the business of chemists, druggists, distributors and stockists of pharmaceuticals and allied products.

The authorized share capital of Aprica Health is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each. Our Company currently holds 10,000 equity shares of Aprica Health (directly and through our nominee Mr. Maharishi Vyas) which is equivalent to 100% of the issued equity share capital of Aprica Health.

There are no accumulated profits or losses of Aprica Health not accounted for by our Company.

3. Kinedex

Kinedex was incorporated under the Companies Act, 1956 on September 18, 2002, as a private limited company with the Registrar of Companies, Jaipur. Its CIN is U51397RJ2002PTC017820 and its registered office is located at 28 Shiv Shakti Nagar, near Indo-Bharat School, Nirman Nagar, Jaipur 302 019, Rajasthan, India. Kinedex is currently engaged in carrying out, among other things, the business of manufacture (on a contract manufacture basis), marketing and sale in India of pharmaceutical products and alternative remedies approved for practice in India and formulations.

The authorized share capital of Kinedex is ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each and its paid-up share capital is ₹ 1,825,040 divided into 182,504 equity shares of ₹ 10 each. Our Company currently holds 137,758 equity shares of ₹ 10 each which is equivalent to 75.48% of the issued equity share capital of Kinedex.

There are no accumulated profits or losses of Kinedex not accounted for by our Company.

Our Joint Ventures

As on the date of this Prospectus, our Company does not have any joint ventures.

Confirmations

Listing

None of our Subsidiaries are listed in India or abroad. None of our Subsidiaries have been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad. None of our Subsidiaries have made any public issue or rights issue to the public in the three years preceding the date of this Prospectus.

Sale or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

Other than as provided in “**Financial Statements**” on page 156, there have been no sales or purchases between our Company and Subsidiaries which in aggregate exceed in value 10% of the total sales or purchases of our Company as per our standalone financial information.

Sale or purchase of shares of our Subsidiaries in the last six months

None of our Promoters, members of our Promoter Group, our Directors and their relatives (as defined under the Companies Act 2013) have sold or purchased equity shares of our Subsidiaries in their personal capacity during the six months preceding the date of the Draft Red Herring Prospectus.

Business Interests

Other than the payment of royalties, pursuant to the terms of the Aprica Trademark Licence Agreement, none of our Subsidiaries have any business interest in our Company. For details of the amount of commercial business, see “**Acquisition of trademarks from Amay Pharmaceuticals Private Limited (previously Aprica Pharmaceuticals Private Limited) and acquisition of Aprica Healthcare Private Limited**”.

Common Pursuits

All of our Subsidiaries conduct or are authorised under their memorandum of association to conduct business similar to those conducted by our Company. Our Company shall take necessary steps as permitted by law to address any conflict situation if and when they arise.

Related Business Transactions within the group and significance on the financial performance of our Company

For details, see “**Restated Standalone Financial Statements – Annexure V - Note 28.1 - Related Party Disclosures**” on page 182.

Strategic and financial partnerships

As on the date of this Prospectus, our Company does not have any strategic or financial partners.

Guarantees given by Promoters participating in the Offer

As on the date of this Prospectus, none of our Promoters who are participating in the Offer have provided guarantees on behalf of our Company.

OUR MANAGEMENT

Under Part B of our Articles of Association, our Company is currently authorized to have not more than eight directors. Effective from the date of receipt of final approval for listing and trading of our Equity Shares pursuant to this Offer, Part B of our Articles of Association shall stand automatically terminated and in accordance with Part A of our Articles of Association, our Company will be authorised to have up to 15 directors. As on the date of this Prospectus, we have seven directors on our Board, comprising three executive directors and four independent Directors, including one woman director. The Chairman of our Board, Mr. Amit Indubhushan Bakshi is an executive director. The present composition of our Board and its committees are in accordance with the corporate governance requirements provided under the Companies Act 2013 and SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Prospectus:

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
Mr. Amit Indubhushan Bakshi <i>Designation:</i> Chairman and Managing Director <i>Address:</i> 01 Amrakadam Co-operative Housing Society, Opposite Sukan Flats, Ramdevnagar Satellite, Ahmedabad 380 015, Gujarat, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 01250925	42	1. Eris Therapeutics Private Limited
Mr. Himanshu Jayantbhai Shah <i>Designation:</i> Executive Director <i>Address:</i> A-504, Dhananjay Tower, Near 100 Feet Road Satellite, Ahmedabad 380 015, Gujarat, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 01301025	41	1. Eris Therapeutics Private Limited
Mr. Inderjeet Singh Negi <i>Designation:</i> Executive Director <i>Address:</i> B-51, Riviera Elegance, Corporate Road, Prahladnagar, Satellite, Ahmedabad 380 015, Gujarat, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Liable to retire by rotation <i>DIN:</i> 01255388	45	1. Eris Therapeutics Private Limited 2. Kinedex Healthcare Private Limited
Mr. Rajiv Gulati	60	1. Mchemist Global Private Limited 2. UTH Healthcare Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other Directorships
<i>Designation:</i> Independent Director <i>Address:</i> B 4/1201, World Spa West, National Highway 8, Gurgaon 122 001, Haryana, India <i>Occupation:</i> Professional <i>Nationality:</i> American <i>Term:</i> Five years with effect from February 3, 2017 <i>DIN:</i> 06820663		3. Vedic Herbonatics Private Limited
Ms. Vijaya Sampath <i>Designation:</i> Independent Director <i>Address:</i> Flat 403, Block 14, Heritage City, Mehrauli Gurgaon 122 002, Haryana, India <i>Occupation:</i> Advocate <i>Nationality:</i> Indian <i>Term:</i> Five years with effect from February 3, 2017 <i>DIN:</i> 00641110	64	1. Dewan Housing Finance Corporation Limited 2. GVS Envicon Technologies Private Limited 3. L&T - MHPS Boilers Private Limited 4. L&T - MHPS Turbine Generators Private Limited 5. L&T Power Development Limited 6. Nabha Power Limited 7. Safari Industries (India) Limited 8. Suzlon Energy Limited
Dr. Kirit Nanubhai Shelat <i>Designation:</i> Independent Director <i>Address:</i> 6, Manikmal Society, Surdhara Circle, Thaltej, Ahmedabad 380 059 <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> Five years with effect from February 3, 2017 <i>DIN:</i> 00190619	71	1. Western Coalfields Limited
Mr. Shardul Suresh Shroff <i>Designation:</i> Independent Director <i>Address:</i> S 270, Greater Kailash, Part II, New Delhi 110 048, India <i>Occupation:</i> Advocate <i>Nationality:</i> Indian <i>Term:</i> Five years with effect from February 3, 2017 <i>DIN:</i> 00009379	61	1. Aavanti Realty Private Limited 2. Amarchand Towers Property Holdings Private Limited 3. Amarchand Mangaldas Properties Private Limited 4. Ashok Leyland Limited 5. Baghbaan Properties Private Limited 6. First Commercial Services India Private Limited 7. First Full Services Private Limited 8. First Universal Virtual International Arbitration Centre Private Limited 9. Hindustan Media Ventures Limited 10. PSNSS Properties Private Limited 11. UVAC Centre (India) Private Limited

In compliance with Section 152 of the Companies Act 2013, not less than two-thirds of our non-independent Directors are liable to retire by rotation.

Arrangement or Understanding with Major Shareholders

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Brief profiles of our Directors

Mr. Amit Indubhushan Bakshi, aged 42 years is the Chairman and Managing Director of our Company. He has passed his Indian School Certificate examination. Mr. Amit Indubhushan Bakshi has been on the Board of our Company since January 27, 2007 and was last reappointed with effect from April 1, 2016. He has previously worked with companies in the pharmaceutical sector in various capacities* and has more than 10 years experience in the pharmaceutical industry. Mr. Amit Indubhushan Bakshi has been recognized as an 'Entrepreneur of the Year, 2013' by Ernst & Young.

Mr. Himanshu Jayantbhai Shah, aged 41 years is an executive Director of our Company. He holds a bachelor's degree in science from the Indira Gandhi National Open University. He also holds a diploma in pharmacy from Gujarat University and a diploma in management from the Indira Gandhi National Open University. He has previously worked with companies in the pharmaceutical sector in various capacities* and has more than 10 years experience in the pharmaceutical industry. He has been on the Board of our Company since its incorporation on January 25, 2007 and was last reappointed with effect from April 1, 2016.

Mr. Inderjeet Singh Negi, aged 45 years is an executive Director of our Company. He holds a bachelor's degree in science from Hemwati Nandan Bahuguna Garhwal University, Srinagar (Garhwal). He joined the Board of our Company as a Director on January 27, 2007. He was last reappointed with effect from April 1, 2016. He has previously worked with Intas Pharmaceuticals Limited as a regional sales manager. He has 13 years of experience in the pharmaceutical industry.

Mr. Rajiv Gulati, aged 60 years is an Independent Director of our Company. He holds a bachelor's degree in pharmacy from the Delhi University and a master's degree in pharmacy from the Benaras Hindu University. Mr. Rajiv Gulati holds a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad and a post-graduate diploma in international trade from the Panjab University. He was appointed on the Board of our Company on February 3, 2017. Mr. Rajiv Gulati has previously worked with companies in the pharmaceutical sector in various capacities. * He has more than 30 years of experience in the pharmaceutical industry*.

Ms. Vijaya Sampath, aged 64 years is an Independent Director of our Company. She holds a bachelor's degree in Arts (English literature) from Madras University and a law degree from Mysore University. She is also a fellow member of the Institute of Company Secretaries of India. She has also attended the Advanced Management Program of Harvard Business School, USA and a program on Managing Strategic Alliances conducted by the Wharton School, University of Pennsylvania, USA. She was appointed on the Board of our Company on February 3, 2017. Ms. Vijaya Sampath has previously worked with the Indian Aluminium Company. She was also associated with Bharti Airtel Limited for eight years. At the time of resigning from Bharti Airtel Limited, she held the designation of Group General Counsel and Company Secretary. At present, she holds the designation of a senior partner in corporate law practice of Lakshmikumaran and Sridharan, Attorneys, an Indian law firm. Currently, she is also an independent director on the boards of various listed and unlisted companies in the financial services, power, renewable energy and branded luggage sector. She has 35 years of experience in the legal profession as an in-house counsel and lawyer and has significant experience in corporate law, joint ventures, mergers and acquisitions and commercial contracts*.

Dr. Kirit Nanubhai Shelat, (IAS retired) aged 71 years is an Independent Director of our Company. He holds a bachelor's degree in arts (special) from the University of Gujarat and a Ph.D degree (arts). He was appointed on the Board of our Company on February 3, 2017. Dr. Kirit Nanubhai Shelat has previously worked as the Commissioner of Rural Development, Industries Commissioner, Commissioner for Employment and Training and Commissioner for Disabled Persons. He was also the chairman of certain public undertakings including Gujarat Agro Industries Corporation and Land Development Corporation*. He has 40 years of experience in public administration*.

Mr. Shardul Suresh Shroff, aged 61, is an Independent Director of our Company. He holds a bachelor's degree in commerce from University of Bombay and a L.L.B. degree from the University of Bombay. Mr. Shroff is the executive chairman of the Shardul Amarchand Mangaldas & Co, an Indian law firm. He was appointed on the Board of our Company on February 3, 2017. As a corporate attorney with over 35 years of experience, Mr. Shroff has extensive experience in areas of infrastructure, projects and project finance, privatization and disinvestment, mergers and acquisitions, joint ventures, banking and finance, capital markets and commercial contracts. He has

been a member of several committees appointed by the Government of India, including the J.J. Irani Committee (2006) on corporate governance. He also serves on the board of directors of various companies, as an independent director, including Ashok Leyland Limited and Hindustan Media Ventures Limited.

** Reliance has been placed on affidavits and declarations provided by (a) Mr. Amit Indubhushan Bakshi for disclosure of his prior professional experience; (b) Mr. Himanshu Jayantbhai Shah for disclosure of his previous employment; (c) Mr. Rajiv Gulati for disclosure of his previous employment and prior professional experience; (d) Ms. Vijaya Sampath for disclosure of her prior professional experience; (e) Dr. Kirit Nanubhai Shelat for disclosure of his previous employment and prior professional experience, since proof for the relevant professional experience or previous employment, as applicable, for the above individuals were not available.*

Relationship between Directors

None of our Directors are related to each other, in terms of the definition of 'relative' under Section 2(77) of the Companies Act 2013.

Terms of Appointment of Executive Directors

Mr. Amit Indubhushan Bakshi

Mr. Amit Indubhushan Bakshi was appointed as our Managing Director pursuant to a resolution passed by our shareholders on August 29, 2011 and was last reappointed with effect from April 1, 2016. Mr. Amit Indubhushan Bakshi was designated as the Chairman of our Board of Directors pursuant to resolution passed by our board on February 2, 2017.

Pursuant to an employment agreement dated April 1, 2016 as amended by amendment agreement dated February 3, 2017, entered into between Mr. Amit Indubhushan Bakshi and the Company, and approved by the Nomination and Remuneration Committee pursuant to a resolution dated April 12, 2017, subject to applicable law, Mr. Amit Indubhushan Bakshi is entitled to the following remuneration and perquisites with effect from April 1, 2017 up to March 31, 2021:

Particulars	Remuneration per annum (in ₹)
Basic salary	6,999,996
Conveyance allowance	19,200
Children education allowance	2,400
Hostel allowance	7,200
House rent allowance	2,799,996
Medical reimbursement	15,000
Provident fund	21,600
Gratuity	336,696
Other allowances	5,789,520
Bonus	8,400
Leave travel allowance	3,999,996
Total	20,000,004

Mr. Amit Indubhushan Bakshi received a gross remuneration of ₹ 19.73 million in Fiscal 2017.

Mr. Himanshu Jayantbhai Shah

Mr. Himanshu Jayantbhai Shah has been on the Board since the incorporation of the Company and was last reappointed on the Board with effect from April 1, 2016.

Pursuant to an employment agreement dated April 1, 2016 as amended by amendment agreement dated February 3, 2017 entered into between the Company and Mr. Himanshu Jayantbhai Shah, and approved by the Nomination and Remuneration Committee pursuant to a resolution dated April 12, 2017, subject to applicable law, Mr. Himanshu Jayantbhai Shah is entitled to the following remuneration and perquisites with effect from April 1, 2017 up to March 31, 2021:

Particulars	Remuneration per annum (in ₹)
Basic salary	3,500,004
Conveyance allowance (car, fuel etc.)	19,200
Children education allowance	2,400

Hostel allowance	7,200
House rent allowance	1,400,004
Medical reimbursement	15,000
Provident fund	21,600
Gratuity	168,348
Other allowances	2,867,436
Bonus	8,400
Leave travel allowance	2,000,004
Total	10,009,596

Mr. Himanshu Jayantbhai Shah received a gross remuneration of ₹ 10 million in Fiscal 2017.

Mr. Inderjeet Singh Negi

Mr. Inderjeet Singh Negi was appointed as an Executive Director on January 27, 2007 and was last reappointed on the Board with effect from April 1, 2016.

Pursuant to an employment agreement dated April 1, 2016 as amended by amendment agreement dated February 3, 2017, entered into between the Company and Mr. Inderjeet Singh Negi, and approved by the Nomination and Remuneration Committee pursuant to a resolution dated April 12, 2017, subject to applicable law, Mr. Inderjeet Singh Negi is entitled to the following remuneration and perquisites with effect from April 1, 2017 up to March 31, 2021:

Particulars	Remuneration per annum (in ₹)
Basic salary	3,500,004
Conveyance allowance (car, fuel etc.)	19,200
Children education allowance	2,400
Hostel allowance	7,200
House rent allowance	1,400,004
Medical reimbursement	15,000
Provident fund	21,600
Gratuity	168,348
Other allowances	2,857,836
Bonus	8,400
Leave travel allowance	2,000,004
Total	9,999,996

Mr. Inderjeet Singh Negi received a gross remuneration of ₹ 9.99 million in Fiscal 2017.

Compensation payable to our independent directors

Pursuant to the appointment letters issued by our Company to the independent Directors, our independent Directors have been appointed for a period of five years commencing from February 3, 2017 and are entitled to receive a sitting fee of ₹ 50,000 for attending each meeting of our Board and committees thereof.

Our independent Directors were not paid any sitting fees in Fiscal 2017.

Remuneration paid or payable from our Subsidiaries

No remuneration was paid or is payable to our Directors by any of our Subsidiaries in the last two years.

Loans to Directors

As on the date of this Prospectus, there are no outstanding loans availed by our Directors from our Company.

As on the date of this Prospectus, none of our Directors are related to the beneficiaries of loans, advances and sundry debtors of our Company. However, certain of our employees have availed of loans and advances from our Company, for details see “*Restated Standalone Financial Statement – Annexure V - Note 19: Summary Statement of Restated Standalone Short-Term Loans and Advances*” on page 178.

Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Our Articles of Association do not require the Directors to hold any qualification shares.

For details of Equity Shares held by our Directors as on the date of this Prospectus, see “**Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company**” on page 78.

Shareholding of Directors in Subsidiaries

Except Mr. Amit Indubhushan Bakshi, who holds one equity share of ETPL (as a nominee of our Company), none of our other Directors hold any equity shares in our Subsidiaries.

Service contracts with Directors

Our Company has not entered into any service contract with our Directors, which provide for benefits upon termination of their employment with us.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them. For further details, see “– **Terms of Appointment of Executive Directors**” on page 138 and “– **Compensation payable to our independent directors**” on page 139.

Our Directors may also be interested to the extent of Equity Shares, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

Interest in property

Our Directors are not interested in any property acquired by the Company within two years of the date of this Prospectus, or presently intended to be acquired by it or in any transaction involving construction of building or supply of machinery etc.

Interest in promotion of the Company

Other than Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi, who are interested as Promoters of our Company, none of the other Directors are interested in the promotion of our Company. For more details, see “**Our Promoters, Promoter Group and Group Companies**” on page 150.

Directorships of Directors in listed companies

Our Directors are not, and have not, during the five years preceding the date of this Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on the BSE or the NSE.

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s).

None of our Directors are associated with the securities market.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Prospectus are set forth below:

Name of Director	Date of Change	Reasons
Mr. Bhikhabhai Chimanlal Shah	April 8, 2015	Resigned as an Executive Director
Mr. Rajendrakumar Rambhai Patel	January 5, 2017	Resigned as an Executive Director
Mr. Kaushal Kamlesh Shah	January 5, 2017	Resigned as an Executive Director
Mr. Rajiv Gulati	February 3, 2017	Appointed as an Independent Director
Ms. Vijaya Sampath	February 3, 2017	Appointed as an Independent Director
Dr. Kirit Nanubhai Shelat	February 3, 2017	Appointed as an Independent Director
Mr. Shardul Suresh Shroff	February 3, 2017	Appointed as an Independent Director
Mr. Sanjiv Dwarkanath Kaul	May 26, 2017	Resigned as a Nominee Director

Payment of non-salary related benefits

Except as stated in “- **Terms of Appointment of Executive Directors**” and “- **Compensation payable to our independent directors**”, our Company has not in the last two years preceding the date of this Prospectus paid and nor does it intend to pay any non-salary related amount or benefits to our Directors.

Appointment of relatives to a place of profit

Other than Mr. Saurabh Jayantbhai Shah, Mr. Himanshu Jayantbhai Shah’s brother, who has been appointed as the Assistant General Manager, Information Technology, pursuant to a Board and shareholders’ resolution, each dated August 10, 2016, none of the relatives of the Directors have been appointed to an office or place of profit in our Company.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable laws and pursuant to the resolution passed by the shareholders of the Company on February 3, 2017, our Board has been authorised to borrow, from time to time, any sum or sums of monies which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our bankers in the ordinary course of business) in excess of the aggregate of the paid up capital and free reserves of our Company, provided that the total amount so borrowed by our Board shall not at any time exceed ₹ 20,000 million or the aggregate of the paid up capital and free reserves of our Company, whichever is higher.

Corporate Governance

As on the date of this Prospectus, there are seven Directors on our Board, comprising three executive Directors and four Independent Directors, including one woman Director. The chairman of our Board, Mr. Amit Indubhushan Bakshi, is an executive Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and Companies Act 2013 in relation to the composition of our Board and the constitution of committees thereof.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act 2013:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Shareholders Relationship Committee; and
- (d) Corporate Social Responsibility Committee.

Audit Committee

Our Audit Committee was constituted by a resolution of the Board dated February 4, 2017, was last re-constituted by a resolution of the Board dated May 25, 2017 and is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

- i. Ms. Vijaya Sampath, Independent Director (Chairman);
- ii. Mr. Rajiv Gulati, Independent Director (Member); and
- iii. Mr. Himanshu Jayantbhai Shah (Member).

The Company Secretary will act as the secretary of the Audit Committee.

Scope and terms of reference: The Audit Committee performs the following functions with regard to accounts and financial management, as per the terms of reference approved by the Board on February 4, 2017.

A. The Audit Committee shall have the powers, including the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee;
- (c) To obtain outside legal or other professional advice; and
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of the Audit Committee shall include the following:

- (a) 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;
- (b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies);
- (e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms clause (c) of sub-section 3 of section 134 of the Companies Act 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Modified opinion(s) in the draft audit report.
- (f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (g) 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;
- (h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (i) 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;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.

- (j) Scrutiny of inter-corporate loans and investments;
- (k) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (l) Evaluation of internal financial controls and risk management systems;
- (m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (o) Discussion with internal auditors of any significant findings and follow up there on;

- (p) 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;
- (q) 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;
- (r) 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;
- (s) Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (t) Reviewing the functioning of the whistle blower mechanism;
- (u) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (v) Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (w) Reviewing the security and control aspects of the information technology and connectivity systems;
- (x) Reviewing compliance with internal and statutory audit reports and examine reasons for substantial defaults and delays in implementing audit recommendations;
- (y) Review of statutory compliances and legal cases; and
- (z) Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

C. The Audit Committee shall mandatorily review the following information:

- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (d) Internal audit reports relating to internal control weaknesses;
- (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (f) statement of deviations in terms of the SEBI Listing Regulations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
 - ii. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.”

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted by a resolution of the Board dated February 4, 2017, was last re-constituted by a resolution of the Board dated May 25, 2017 and is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

- i. Mr. Rajiv Gulati, Independent Director (Chairman);
- ii. Mr. Shardul Suresh Shroff, Independent Director (Member); and
- iii. Ms. Vijaya Sampath, Independent Director (Member).

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee are set forth below:

- (a) 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;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) Formulation of criteria for evaluation of independent directors and the Board;
 - (c) Devising a policy on Board diversity;
 - (d) 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);
 - (e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
 - (f) To administer and superintend the ESOP scheme of the Company; and
 - (g) Carrying out any other functions required to be undertaken by the Nomination and Remuneration Committee under applicable law."

Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of the Board dated February 4, 2017 and is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently comprises:

- i. Ms. Vijaya Sampath, Non-Executive Director (Chairman);
- ii. Mr. Himanshu Jayantbhai Shah, Executive Director (Member); and
- iii. Mr. Inderjeet Singh Negi, Executive Director (Member).

Scope and terms of reference: The terms of reference of the Stakeholders Relationship Committee are as follows:

- (a) Considering and resolving grievances of shareholders, debenture holders and other security holders;
- (b) 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.;
- (c) Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- (d) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- (e) Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

Corporate Social Responsibility Committee

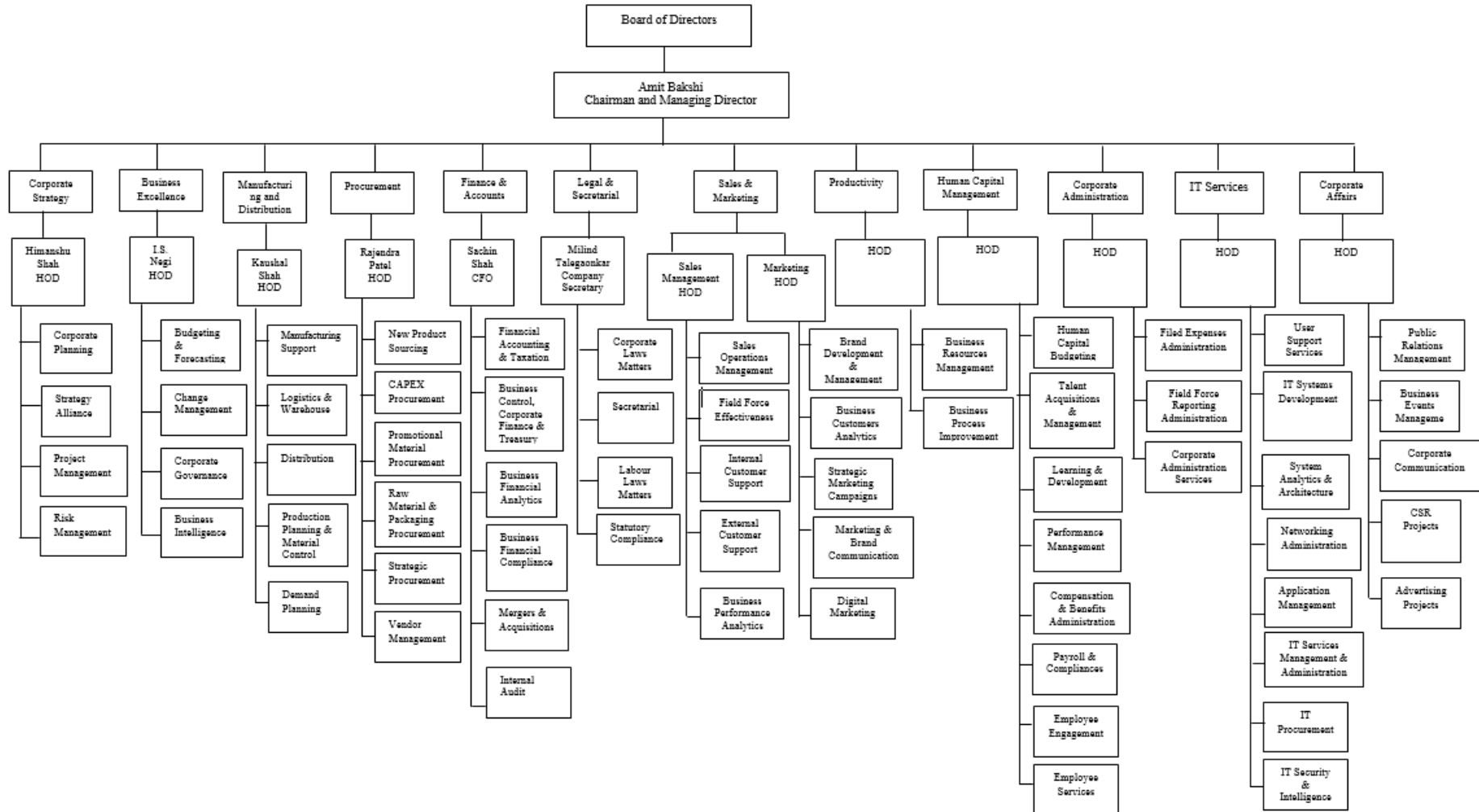
Our Corporate Social Responsibility Committee was last re-constituted by a resolution of the Board dated May 25, 2017 and is in compliance with Section 135 of the Companies Act 2013. The CSR Committee currently comprises:

- i. Mr. Inderjeet Singh Negi, Executive Director (Chairman);
- ii. Dr. Kirit Nanubhai Shelat, Independent Director (Member); and
- iii. Mr. Himanshu Jayantbhai Shah (Member).

Scope and terms of reference: The terms of reference of the CSR Committee are as follows:

- (a) recommending the amount of expenditure to be incurred on the activities referred to in clause (a) of subsection (3) of Section 135 of the Companies Act, 2013; and
- (b) monitoring the Corporate Social Responsibility Policy of our Company from time to time; and recommending to the Board, any amendments in the CSR policy indication activities undertaken by the Company as specified in Schedule VII to the Companies Act 2013.

Management Organisation Structure



Key Managerial Personnel

In addition to our Managing Director, Mr. Amit Indubhushan Bakshi, and our executive directors, Mr. Inderjeet Singh Negi and Mr. Himanshu Jayantbhai Shah, whose details are provided in “- **Brief Profiles of our Directors**” on page 137, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below:

Mr. Sachin Shah

Mr. Sachin Shah, aged 37 years is our Chief Financial Officer. Mr. Sachin Shah is a qualified chartered accountant and he holds a bachelor’s degree in commerce. He has been associated with our Company since January 1, 2013 as a Senior Manager – Finance and Processes. Pursuant to a Board resolution dated September 28, 2016, he was appointed as the Chief Financial Officer of our Company. He has previously worked with ICICI Bank Limited and Avendus Capital Private Limited*. In Fiscal 2017, he received a gross remuneration of ₹ 4.83 million.

Mr. Milind Talegaonkar

Mr. Milind Talegaonkar, aged 41 years, is our Company Secretary. He has been associated with our Company since May 2013. Mr. Milind Talegaonkar holds a bachelor’s degree in arts (management) from the Barkhatullah University, Bhopal. He holds a diploma in entrepreneurship administration and business laws from the West Bengal National University of Juridical Sciences. Mr. Milind Talegaonkar is an associate of the Institute of Company Secretaries of India. He has over sixteen years of experience in various fields, including corporate legal and secretarial compliances. Pursuant to a Board resolution dated September 6, 2016 he was appointed as our Company Secretary with effect from September 21, 2016 and pursuant to a Board resolution dated February 2, 2017, Mr. Milind Talegaonkar has been designated as our Compliance Officer. He has previously worked with L&T Infrastructure Development Projects Limited as an assistant manager, secretarial; and Indo Rama as assistant manager, licensing. He has also previously worked with HEG Limited as senior officer (finance). In Fiscal 2017, he received a gross remuneration of ₹ 1.59 million.

Mr. Rajendrakumar Rambhai Patel

Mr. Rajendrakumar Rambhai Patel, aged 40 years is the head of procurement at our Company. He holds a bachelor’s degree in science from North Gujarat University and a diploma in pharmacy from the Gujarat University. He has previously worked with companies in the pharmaceutical sector* and has more than 10 years experience in the pharmaceutical industry. Mr. Rajendrakumar Rambhai Patel has been associated with our Company since 2007 as one the directors on the Board. He resigned from the Board on January 5, 2017. Mr. Rajendrakumar Rambhai Patel currently is a director on the board of our Subsidiaries, Eris Therapeutics Private Limited and Kinedex Healthcare Private Limited. In Fiscal 2017, he received a gross remuneration of ₹ 6.00 million.

Mr. Kaushal Kamlesh Shah

Mr. Kaushal Kamlesh Shah, aged 37 years is the head of manufacturing and distribution at our Company. He holds a bachelor’s degree in commerce from the Gujarat University and a post graduate diploma in management from Som-Lalit Institute of Management Studies. He has more than 10 years experience in the pharmaceutical industry, having also have previously worked with companies in the pharmaceutical sector*. Mr. Kaushal Kamlesh Shah has been associated with our Company since 2007 as one the directors on the Board. He resigned from the Board on January 5, 2017. Mr. Kaushal Kamlesh Shah currently is a director on the board of our Subsidiaries, Eris Therapeutics Private Limited and Kinedex Healthcare Private Limited. In Fiscal 2017, he received a gross remuneration of ₹ 7.50 million.

**Reliance has been placed on affidavits and declarations provided by (a) Mr. Sachin Shah for disclosure of his previous employments; (b) Mr. Rajendrakumar Rambhai Patel for disclosure of his prior professional experience; and (c) Mr. Kaushal Kamlesh Shah for disclosure of his prior professional experience, since proof for the relevant prior professional experience or previous employment, as applicable, for the above individuals were not available.*

All the Key Managerial Personnel are permanent employees of our Company.

Relationship between Key Managerial Personnel

None of our Key Managerial Personnel are related to each other, in terms of the definition of ‘relative’ under Section 2(77) of the Companies Act 2013.

Bonus or profit sharing plan for the Key Managerial Personnel

Our Company does not have a bonus or profit sharing plan for our Key Managerial Personnel.

Shareholding of Key Managerial Personnel

Except for Mr. Sachin Shah and Mr. Milind Talegaonkar, all our Key Managerial Personnel hold Equity Shares as on the date of this Prospectus. For details of the shareholding of Mr. Amit Indubhushan Bakshi Mr. Himanshu Jayantbhai Shah, Mr. Kaushal Kamlesh Shah, Mr. Rajendrakumar Rambhai Patel and Mr. Inderjeet Singh Negi, see “**Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company**” on page 78.

Additionally, Mr. Sachin Shah and Mr. Milind Talegaonkar have been granted 16,628 and 6,651 options, respectively under the Eris ESOP, as on the date of this Prospectus. For further details, see “**Capital Structure – Employee Stock Option Plan**” on page 70.

Service contracts with Key Managerial Personnel

Our Company has entered into employment agreements with Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah, which set out the terms and conditions of their employment including their remuneration, leave, travel allowances and medical reimbursements. The employment agreements also provide for the provision of certain bonus and gratuity. For detailed terms and conditions of the employment agreements entered into with Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi, see “– **Terms of Appointment of Executive Directors**” on page 138.

None of our Key Managerial Personnel are entitled to any termination or retirement benefits under the terms of their respective employment agreements.

Loans to and deposits from Key Managerial Personnel

As on the date of this Prospectus, there are no outstanding loans availed by our Key Managerial Personnel from our Company.

Interest of Key Managerial Personnel

Except as set forth above in “– **Interest of Directors**” on page 140 with respect to Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi, none of our other Key Managerial Personnel has any interest in our Company except to the extent of their remuneration and reimbursement of expenses incurred by them in the ordinary course of business. Our Chief Financial Officer and Company Secretary may be interested to the extent of stock options that may be granted to them from time to time under the Eris ESOP. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Further, for details of interests of Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah, who are also our Promoters, see “**Our Promoters, Promoter Group and Group Companies**” on page 150.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.

Arrangements and understandings with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

Changes in Key Managerial Personnel in the last three years

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Prospectus are set forth below:

Name	Date	Reason
Mr. Milind Talegaonkar	September 21, 2016	Appointed as the Company Secretary
Mr. Sachin Shah	September 28, 2016	Appointed as the Chief Financial Officer
Mr. Rajendrakumar Rambhai Patel	April 1, 2016	Appointed as the Head of Procurement
Mr. Kaushal Kamlesh Shah	April 1, 2016	Appointed as the Head of Manufacturing and Distribution

Employee stock option and stock purchase schemes

For details of the employee stock option plan of our Company, Eris ESOP see “**Capital Structure – Employee Stock Option Scheme**”, on page 70.

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PROMOTERS, PROMOTER GROUP AND GROUP COMPANIES

The Promoters of our Company are Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah. As on the date of this Prospectus, our Promoters hold, in the aggregate, 81,373,000 Equity Shares, which constitutes 59.18% of our Company's paid-up Equity Share capital. For details of the build-up of our Promoters' shareholding in our Company, see "**Capital Structure – Notes to Capital Structure**" on page 68.

Details of our Promoters

	Mr. Amit Indubhushan Bakshi, aged 42 years, is one of our Promoters and our Chairman and Managing Director. <i>Residential Address:</i> 01 Amrakadam Co-Operative Housing Society, opposite Sukan Flats, Ramdevnagar, Satellite, Ahmedabad 380 015, Gujarat, India <i>Driver's license number:</i> GJ01 20060159822 <i>Voter identification number:</i> LPZ5404553 For a brief profile of Mr. Amit Indubhushan Bakshi, see "Our Management – Brief Profiles of our Directors" on page 137.
	Mr. Himanshu Jayantbhai Shah, aged 41 years, is one of our Promoters and an Executive Director. <i>Residential Address:</i> A-74, Yash Towers Part – 1, Vejalpur, Vejalpur – 380051, Tal. City, Ahmedabad, Gujarat, India <i>Driver's license number:</i> GJ1319990575900 <i>Voter identification number:</i> LPZ5026992 For a brief profile of Mr. Himanshu Jayantbhai Shah, see "Our Management– Brief Profiles of our Directors" on page 137.
	Mr. Inderjeet Singh Negi, aged 45 years, is one of our Promoters and an Executive Director. <i>Residential Address:</i> 42/D, Royal Orchid, near Suyog Bunglow, Prahladnagar, Ahmedabad 380015, Gujarat, India <i>Driver's license number:</i> I-HRI-MDS/2011-7991 <i>Voter identification number:</i> ZCU3022829 For a brief profile of Mr. Inderjeet Singh Negi, see "Our Management– Brief Profiles of our Directors" on page 137.
	Mr. Rajendrakumar Rambhai Patel, aged 40 years, is one of our Promoters. <i>Residential Address:</i> H-103, Akash-3, 132-FT Ring Road, near Sahajanand Complex, near AEC Naranpura, Ahmedabad 380013, Gujarat, India <i>Driver's license number:</i> GJ01 20060108490 <i>Voter identification number:</i> CLJ7061534 For a brief profile of Mr. Rajendrakumar Rambhai Patel, see "Our Management – Key Managerial Personnel" on page 147.



Mr. Kaushal Kamlesh Shah, aged 37 years, is one of our Promoters.

Residential Address: 2-B, Paradise Park, opposite Shanti Nagar Bus stop, near Jain Agan Mandir, Ashram Road, Ahmedabad 380013, Gujarat India

Driver's license number: GJ01/011952/01

Voter identification number: CLJ678446

For a brief profile of Mr. Kaushal Kamlesh Shah, see “***Our Management – Key Managerial Personnel***” on page 147.

We confirm that the PAN, passport number and bank account number of each of our Promoters have been submitted to the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus with them.

Interests of our Promoters and Related Party Transactions

Interest of our Promoters in the Promotion of our Company

Our Promoters are interested in our Company to the extent of their respective shareholding in our Company and dividend or other distributions payable, if any, by our Company. For further details of our Promoters' shareholding, see “***Capital Structure***” on page 68. Additionally, Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi are also interested in our Company as Directors and Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah are interested in our Company as Key Managerial Personnel and any remuneration payable to them in such capacity, respectively. For details, see “***Our Management – Terms of Appointment of Executive Directors***” and “***Our Management – Key Managerial Personnel***” on pages 138 and 147, respectively.

Interest of Promoters in the Property of our Company

Our Promoters do not have any interest in any property acquired by our Company during the two years preceding the date of filing of the Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction including the acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as members of any firm or any company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Payment of Benefits and Guarantees

Other than remuneration paid to our Promoters, in accordance with the terms of their respective employment agreements, no benefit or amount has been given or paid to our Promoters or members of our Promoter Group within the two years preceding the date of filing this Prospectus or intended to be paid or given to our Promoters or members of our Promoter Group. For further details of the remuneration paid to Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi, see “***Our Management – Terms of Appointment of Executive Directors***” on page 138.

Confirmations

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

As on the date of this Prospectus, none of our sundry debtors are related to our Promoters. Further, none of our Promoters are related to any beneficiary of loans and advances provided by the Company.

There is no litigation or legal action pending or taken by any department of the Government or statutory authority during the last five years preceding the date of this Prospectus against our Promoters.

Our Promoters, their respective relatives and other members of the Promoter Group have not been declared as a wilful defaulters as defined under the SEBI ICDR Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authorities from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing capital markets under any order or direction made by SEBI or any other authority.

Common Pursuits of our Promoters

Except in relation to our Subsidiaries, our Promoters are not involved with any venture which is in the same line of activity or business as us.

Disassociation by our Promoters in the preceding three years

Except for Mr. Amit Indubhushan Bakshi and Mr. Himanshu Jayantbhai Shah who have disassociated themselves from Eris Formulations Private Limited on April 22, 2017, pursuant to a dissolution of Eris Formulations Private Limited, none of our Promoters have disassociated themselves from any company in the preceding three years.

Disassociation by our Company in the preceding year

Our Company was a partner in Sozin up to August 31, 2016, and pursuant to our retirement, we transferred our stake in the partnership to the other existing partners of Sozin, with a view to enhance operational efficiency and productivity by focusing on manufacturing activities at our Assam Facility.

I. Promoter Group

Set forth below is a list of the members forming part of our Promoter Group, as on the date of this Prospectus:

S. No.	Name of member of the Promoter Group
Mr. Amit Indubhushan Bakshi	
1.	Rangoli Amit Bakshi (spouse)
2.	Indubhushan Bakshi (father)
3.	Nira Indubhushan Bakshi (mother)
4.	Gauri Sachin Shah (sister)
5.	Parv Amit Bakshi (son)
6.	Somnat Mehrotra (spouse's father)
7.	Shashi Somnat Mehrotra (spouse's mother)
8.	Amit Somnat Mehrotra (spouse's brother)
9.	Amit Bakshi (HUF)
10.	Horizon Blue Ventures LLP
11.	Eris Foundation
12.	Eris Lifesciences Private Limited Group Gratuity Trust
13.	Indubhushan HUF
14.	Footlights Theaters LLP
Mr. Himanshu Jayantbhai Shah	
1.	Nimisha Himanshu Shah (spouse)
2.	Urmila Jayantbhai Shah (mother)
3.	Saurabh Jayantbhai Shah (brother)
4.	Harsh Himanshu Shah (son)
5.	Asmi Himanshu Shah (daughter)
6.	Subodhchandra H. Shah (spouse's father)
7.	Hansaben S. Shah (spouse's mother)
8.	Hetal Vasani (spouse's sister)
9.	Vishant Shah (spouse's brother)
10.	Himanshu Jayantbhai Shah HUF
11.	Saurabh Jayant Shah HUF
Mr. Inderjeet Singh Negi	
1.	Suman Negi (spouse)
2.	Dhan Singh Negi (father)

3.	Sateshwari Devi (mother)
4.	Rajeshwari Negi (sister)
5.	Rekha Rawat (sister)
6.	Asha Rawat (sister)
7.	Manvendra Singh Negi (brother)
8.	Sarthak Negi (son)
9.	Aditi Negi (daughter)
10.	Shiv Charan Singh Rawat (spouse's father)
11.	Rameshwari Devi Rawat (spouse's mother)
12.	Sandeepa Rawat (spouse's sister)
13.	Upender Singh Rawat (spouse's brother)
14.	Inderjeet Singh Negi HUF
Mr. Rajendrakumar Rambhai Patel	
1.	Parul Patel (spouse)
2.	Rambhai Keshavlal Patel (father)
3.	Shardaben Rambhai Patel (mother)
4.	Chandrikaben Patel (sister)
5.	Sanjay Rambhai Patel (brother)
6.	Parthiv Patel (son)
7.	Dhyanvi Patel (daughter)
8.	Bholabhai Patel (spouse's father)
9.	Ambaben Bholabhai Patel (spouse's mother)
10.	Jagdish Bholabhai Patel (spouse's brother)
11.	Hetal Bholabhai Patel (spouse's brother)
12.	Rajendrakumar Rambhai Patel HUF
13.	Eris Foundation
Mr. Kaushal Kamlesh Shah	
1.	Sweta Kaushal Shah (spouse)
2.	Kamleshkumar Rasiklal Shah (father)
3.	Shilpaben Kamleshkumar Shah (mother)
4.	Kajal Mrudang Vakil (sister)
5.	Karmm Kaushal Shah (son)
6.	Saanvi Kaushal Shah (daughter)
7.	Bharatbhai Shah (spouse's father)
8.	Bakulaben Shah (spouse's mother)
9.	Alpana Shah (spouse's sister)
10.	Pinky Shah (spouse's sister)
11.	Pragnesh Bhartkumar Shah (spouse's brother)
12.	Pragnesh Bhartkumar Shah (HUF)
13.	Kamlesh Rasiklal Shah (HUF)
14.	Kaushal Kamlesh Shah (HUF)
15.	Mrudang Hiren Vakil (HUF)
16.	Shah & Co.

For details of the shareholding of the members of our Promoter Group in our Company and various confirmations in relation to the members of our Promoter Group, see “**Capital Structure – Shareholding of our Promoters and our Promoter Group**” and “**Other Regulatory and Statutory Disclosures**” on pages 74 and 270, respectively.

II. Group Companies

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, i.e., Accounting Standard 18 issued by the Institute of Chartered Accountants of India (“**AS 18**”) as per the restated consolidated financial information, as of and for the the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013, and other companies as per the Materiality Policy adopted by our Board through its resolution dated February 6, 2017, for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company if it:

- (i) is a member of the Promoter Group and has entered into one or more transactions with the Company in the most recent audited Fiscal or the stub period, as applicable, which, individually or in the aggregate, exceed 10% of the total consolidated revenue of our Company for such Fiscal; and
- (ii) companies which, subsequent to the date of the last audited consolidated financial statements of our Company, would require disclosure in the consolidated financial statements of the Company for

subsequent periods as entities covered under AS 18 in addition to/ other than those companies covered under AS 18 in the consolidated financial statements of our Company included in this Prospectus.

For avoidance of doubt, it is clarified that our Subsidiaries are not be considered as ‘Group Companies’. Based on the above, as on the date of this Prospectus, there are no group companies of our Company.

DIVIDEND POLICY

As on the date of this Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder) and will depend on a number of factors, including but not limited to our profits, capital requirements, contractual obligations and the overall financial condition of our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

Except as disclosed below, our Company has not declared any dividends during the last five Fiscals.

During Fiscal 2016, interim dividend of ₹ 6,042.00 per equity share on 137,500 equity shares of our Company of face value of ₹ 10 each, amounting to a total of ₹ 830.78 million, was declared and paid.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

The Board of Directors

Eris Lifesciences Limited (Formerly known as Eris Lifesciences Private Limited)

21, New York Tower- A,
Near Muktidham Temple,
Thaltej Cross Road, Thaltej,
Ahmedabad – 380 054

Dear Sirs,

1. We have examined as appropriate (refer paragraphs 4 and 5 below), the attached Restated Standalone Financial Information of Eris Lifesciences Limited (Formerly known as Eris Lifesciences Private Limited) (the “**Company**”), which comprise of the Restated Summary Statement of Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014, and 2013, the Restated Summary Statements of Profit and Loss and the Restated Summary Statement of Cash Flows for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 respectively, and the Summary of Significant Accounting Policies (collectively, the “Restated Standalone Financial Information”) as approved by the Board of Directors of the Company at their meeting held on May 25, 2017 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“IPO”) prepared in terms of the requirements of :
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“**the Act**”) read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“**the Rules**”);
 - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“**ICDR Regulations**”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the “**Guidance Note**”).
2. The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, the Rules, ICDR Regulations and the Guidance Note.

Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Standalone Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 10, 2016 in connection with the proposed offer of equity shares of the Company;

- b) The Guidance Note; and
 - c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Unconsolidated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
4. These Restated Standalone Financial Information have been compiled by the management from the audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 which have been approved by Board of directors at their meetings held on May 25, 2017, September 28, 2016, September 23, 2015, September 05, 2014, and August 19, 2013 respectively.

Audit for the financial years ended March 31, 2015, 2014, and 2013 was conducted by previous auditors, M/s R R S & Associates and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years, i.e. March 31 2015, 2014, and 2013 are based solely on the report submitted by them. M/s R R S & Associates have also confirmed that the restated financial information relating to above mentioned years:

- a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - c) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
5. Based on our examination, we report that:
- a) The Restated Summary Statement of Assets and Liabilities of the Company, including as at March 31, 2015, 2014, and 2013 examined and reported upon by M/s R R S & Associates, and who have submitted their report on which reliance has been placed by us, and as at March 31, 2017 and 2016 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV: Statement on Adjustments to Standalone Financial Statements.
 - b) The Restated Summary Statement of Profit and Loss of the Company, including for the years ended March 31, 2015, 2014, and 2013 examined and reported upon by M/s R R S & Associates, and who have submitted their report on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-IV: Statement on Adjustments to Standalone Financial Statements.
 - c) The Restated Summary Statement of Cash Flows of the Company, including for the years ended March 31, 2015, 2014, and 2013 examined and reported upon by M/s R R S & Associates, and who have submitted their report on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure-IV: Statement on Adjustments to Standalone Financial Statements.

- d) The Summary of Significant Accounting Policies and Notes to Accounts of the Company, including for the years ended March 31, 2015, 2014, 2013 examined and reported upon by M/s R R S & Associates, who have submitted their report on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-V to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Standalone Restated Summary Statement of Adjustments to Standalone Financial Statements as set out in Annexure-IV.
 - e) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the previous auditors, M/s R R S & Associates for the respective years, we further report that the Restated Standalone Financial Information:
 - i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - ii) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - iii) do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
6. We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on May 25, 2017 for the years ended March 31, 2017, 2016, 2015, 2014 and 2013. In respect of the years ended March 31 2015, 2014, and 2013 these information have been included based upon the reports submitted by previous auditors, M/s R R S & Associates and relied upon by us:
- a) Summary Statement of Restated Standalone Share Capital included in Note 2 to Annexure V;
 - b) Summary Statement of Restated Standalone Reserves and Surplus included in Note 3 to Annexure V;
 - c) Summary Statement of Restated Standalone Long-Term Borrowings included in Note 4 to Annexure V;
 - d) Summary Statement of Restated Standalone Other Long-Term Liabilities included in Note 5 to Annexure V;
 - e) Summary Statement of Restated Standalone Long-Term Provisions included in Note 6 to Annexure V;
 - f) Summary Statement of Restated Standalone Trade Payables included in Note 7 to Annexure V;
 - g) Summary Statement of Restated Standalone Other Current Liabilities included in Note 8 to Annexure V;
 - h) Summary Statement of Restated Standalone Short-Term Provisions included in Note 9 to Annexure V;
 - i) Summary Statement of Restated Standalone Fixed Assets included in Note 10 to Annexure V;
 - j) Summary Statement of Restated Standalone Non-Current Investments included in Note 11 to Annexure V;
 - k) Summary Statement of Restated Standalone Deferred tax Assets (net) included in Note 12 to Annexure V;
 - l) Summary Statement of Restated Standalone Long-Term Loans and Advances included in Note 13 to Annexure V;

- m) Summary Statement of Restated Standalone Other Non-Current Assets included in Note 14 to Annexure V;
- n) Summary Statement of Restated Standalone Current Investments included in Note 15 to Annexure V;
- o) Summary Statement of Restated Standalone Inventories included in Note 16 to Annexure V;
- p) Summary Statement of Restated Standalone Trade Receivables included in Note 17 to Annexure V;
- q) Summary Statement of Restated Standalone Cash and Cash Equivalents included in Note 18 to Annexure V;
- r) Summary Statement of Restated Standalone Short-Term Loans and Advances included in Note 19 to Annexure V;
- s) Summary Statement of Restated Standalone Other Current Assets included in Note 20 to Annexure V;
- t) Summary Statement of Restated Standalone Revenue from Operations included in Note 21 to Annexure V;
- u) Summary Statement of Restated Standalone Other Income included in Note 22 to Annexure V;
- v) Summary Statement of Restated Standalone Cost of Materials Consumed included in Note 23 to Annexure V;
- w) Summary Statement of Restated Standalone Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade included in Note 24 to Annexure V;
- x) Summary Statement of Restated Standalone Employee Benefit Expenses included in Note 25 to Annexure V;
- y) Summary Statement of Restated Standalone Other Expenses included in Note 26 to Annexure V;
- z) Summary Statement of Restated Standalone Finance Costs included in Note 27 to Annexure V;
- aa) Statement of Additional Information to Standalone Financial Statements contained in Note 28.1 to Note 28.14 to Annexure V;
- bb) Statement on Adjustments to Standalone Financial Statements included in Annexure IV;
- cc) Restated Summary Statement of Accounting Ratios included in Annexure VI;
- dd) Statement of Capitalisation included in Annexure VII;
- ee) Restated Summary Statement of Dividend Paid / Proposed by the Company included in Annexure VIII;
- ff) Restated Statement of Tax Shelters included in Annexure IX

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, M/s R R S & Associates, in our opinion, the Restated Standalone Financial Information and the above restated financial information contained in Annexures I to IX accompanying this report read with Summary of Significant Accounting Policies disclosed in Annexure-V are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-IV] and have been prepared in accordance with the Act, Rules, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Ahmedabad in connection with the proposed offer of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

Kartikeya Raval
Partner
(Membership No. 106189)

Place: Ahmedabad
Date: May 25, 2017

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE-I
SUMMARY STATEMENT OF RESTATED STANDALONE ASSETS AND LIABILITIES

(₹ in Million)

Particulars	Note No. of Annexure V	As at March 31, 2007	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES :						
(1) Shareholders' Funds						
(a) Share capital	2	137.50	1.38	1.38	1.38	1.38
(b) Reserves and surplus	3	5,341.67	3,052.14	2,672.36	1,839.83	1,188.31
(2) Non current liabilities						
(a) Long-term borrowings	4	-	-	5.00	-	0.37
(b) Other long-term liabilities	5	27.49	24.85	13.37	10.73	16.20
(c) Long-term provisions	6	185.35	230.98	199.88	170.21	152.33
(3) Current liabilities						
(a) Trade payables	7					
Due to micro and small enterprises		-	-	-	-	-
Due to others		251.10	278.94	360.97	326.45	191.38
(b) Other current liabilities	8	123.89	253.84	76.57	141.58	65.31
(c) Short-term provisions	9	233.03	179.05	209.25	185.65	124.31
Total		6,300.03	4,021.18	3,538.78	2,675.83	1,739.59
II. ASSETS :						
(1) Non current assets						
(a) Fixed assets	10					
(i) Tangible assets		537.50	640.96	605.78	631.97	148.24
(ii) Intangible assets		363.34	6.95	6.90	6.57	0.79
(b) Non current investments	11	874.74	625.95	1,130.50	306.40	115.52
(c) Deferred tax assets (net)	12	51.55	54.14	32.92	1.97	2.62
(d) Long-term loans and advances	13	634.05	323.02	176.64	183.64	137.71
(e) Other non-current asset	14	24.00	-	-	-	-
(2) Current assets						
(a) Current investments	15	2,584.83	1,437.33	692.40	669.64	465.00
(b) Inventories	16	472.01	494.58	538.33	454.85	519.68
(c) Trade receivables	17	413.02	253.62	236.21	223.09	165.96
(d) Cash and cash equivalents	18	20.55	85.29	49.12	59.02	35.16
(e) Short-term loans and advances	19	244.68	96.98	67.71	138.68	148.91
(f) Other current assets	20	79.76	2.36	2.27	-	-
Total		6,300.03	4,021.18	3,538.78	2,675.83	1,739.59

Note:

The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements. appearing in Annexure IV

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Kartikeya Raval
Partner

Place: Ahmedabad
Date: 25th May, 2017

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Sachin Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25th May, 2017

Milind Talegaonkar
Company Secretary
Membership No.A26493

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE-II
SUMMARY STATEMENT OF RESTATED STANDALONE PROFIT AND LOSS

(₹ in Million)						
Particulars	Note No. of Annexure V	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
REVENUE:						
Revenue from operations (gross)	21	7,129.04	6,232.42	5,569.16	5,204.62	4,170.19
Less: Excise duty	21	(245.38)	(177.59)	(89.30)	-	-
Revenue from operations (net)		6,883.66	6,054.83	5,479.86	5,204.62	4,170.19
Other income	22	190.77	32.83	34.28	43.60	14.10
Total Revenue (I)		7,074.43	6,087.66	5,514.14	5,248.22	4,184.29
EXPENSES:						
(a) Cost of materials consumed	23	453.75	381.47	317.27	-	-
(b) Purchases of stock-in-trade		532.35	750.78	825.43	1,162.41	1,271.19
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	80.86	21.40	(55.48)	116.34	(289.05)
(d) Employee benefits expense	25	1,170.62	1,223.56	1,237.53	878.53	653.01
(e) Other expenses	26	1,942.17	1,974.50	2,016.59	2,163.89	1,618.43
Total (II)		4,179.75	4,351.71	4,341.34	4,321.17	3,253.58
Restated Profit before interest, tax, depreciation and amortisation (I - II)		2,894.68	1,735.95	1,172.80	927.05	930.71
Finance costs	27	1.08	1.20	0.06	0.37	2.66
Depreciation and amortisation expense	10	231.34	195.49	146.66	37.45	23.10
Restated Profit before tax		2,662.26	1,539.26	1,026.08	889.23	904.95
TAX EXPENSE						
(a) Current tax expense		553.83	313.09	223.73	237.06	250.56
(b) (Less): MAT credit		(319.81)	(132.30)	-	-	-
(c) Net current tax expense		234.02	180.79	223.73	237.06	250.56
(d) Deferred tax charge / (credit)		2.59	(21.22)	(30.90)	0.65	(3.57)
Net tax expense		236.61	159.57	192.83	237.71	246.99
Restated Profit after tax		2,425.65	1,379.69	833.25	651.52	657.96

Note:

The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Kartikeya Raval
Partner

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Place: Ahmedabad
Date: 25th May, 2017

Sachin Shah
Chief Financial Officer

Place: Ahmedabad
Date: 25th May, 2017

Milind Talegaonkar
Company Secretary
Membership No.A26493

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED STANDALONE CASH FLOWS

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A. Cash flow from operating activities					
Profit before tax	2,662.26	1,539.26	1,026.08	889.23	904.95
Adjustments for :					
Depreciation and amortisation expense	231.34	195.49	146.66	37.45	23.10
Preliminary expenditure written off	-	-	0.26	0.26	0.32
(Profit)/Loss on fixed assets sold / written off	1.87	0.55	(0.17)	0.66	5.62
Finance costs	1.08	1.20	0.06	0.37	2.66
Interest Income	(8.68)	(3.29)	(0.18)	(1.10)	(2.37)
Provision for diminution in Investment	3.97	13.49	-	-	-
Debts written off	-	-	-	-	34.58
Dividend income	(0.35)	(0.30)	-	(0.18)	(9.52)
Net gain on sale of investments	(168.11)	(29.07)	(33.15)	(42.32)	(2.17)
Operating profit before working capital changes	2,723.38	1,717.33	1,139.56	884.37	957.17
Changes in working capital:					
Adjustments for (increase) / decrease in operating assets:					
Trade receivables	(159.40)	(17.41)	(13.12)	(57.13)	(21.89)
Inventories	22.57	43.75	(83.48)	64.83	(280.07)
Loans & advances and other assets	(222.21)	(41.13)	66.89	(2.06)	(102.08)
Adjustments for increase / (decrease) in operating liabilities:					
Trade payable, liabilities and provisions	9.45	(60.47)	43.86	269.20	165.54
Cash generated from operations	2,373.79	1,642.07	1,153.71	1,159.21	718.67
Net income tax paid	(522.07)	(315.54)	(230.05)	(262.33)	(314.60)
Net cash flow from operating activities (A)	1,851.72	1,326.53	923.66	896.88	404.07
B. Cash flow from investing activities					
Purchase of Fixed assets	(488.61)	(232.16)	(130.73)	(517.25)	(72.43)
Purchase of Non Current investments	(773.79)	(44.60)	(486.34)	(190.93)	(58.83)
Sale of Non Current investments	132.91	-	-	0.05	-
Purchase of Current Investment (Net)	(621.26)	(180.23)	(327.36)	(162.32)	(328.31)
Bank balances not considered as cash and cash equivalents- Deposits Matured / (Placed)	(0.02)	(0.48)	(0.05)	22.40	38.90
Interest Income	8.80	3.02	0.18	1.10	2.36
Proceeds from sale of fixed asset	0.35	0.29	0.75	0.40	1.32
Dividend income	0.35	0.30	-	0.18	9.52
Net cash used in investing activities (B)	(1,741.27)	(453.86)	(943.55)	(846.37)	(407.47)
C. Cash flow from financing activities					
Repayment of long-term borrowings	(5.00)	(5.00)	-	(3.88)	(8.51)
Proceeds from long-term borrowings	-	-	10.00	-	-
Finance costs	(1.08)	(1.20)	(0.06)	(0.37)	(2.66)
Interim dividend paid / Dividend distribution tax paid	(169.13)	(830.78)	-	-	-
Net cash flow from / (used in) financing activities (C)	(175.21)	(836.98)	9.94	(4.25)	(11.17)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(64.76)	35.69	(9.95)	46.26	(14.57)
Cash and cash equivalents at the beginning of the year	84.76	49.07	59.02	12.76	27.33
Cash and cash equivalents at end of the year (Refer note-18 (a))	20.00	84.76	49.07	59.02	12.76
Notes:					
(i) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3-Cash Flow Statements.					
(ii) Cash and Cash Equivalents:					
Cash on hand	0.46	15.41	8.65	5.38	4.85
Balance with banks					
In Current Account	19.54	69.35	40.42	53.64	7.91
Cash and Cash Equivalents as per Cash flow statement (Refer note- 18(a))	20.00	84.76	49.07	59.02	12.76

(iii)The above statement should be read with the Summary of Significant Accounting Policies and Notes to the Restated Standalone Financial information, appearing in Annexure V; and statement on Adjustments to Standalone Financial Statements, appearing in Annexure IV

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

For and on behalf of the Board of Directors

Kartikeya Raval
Partner

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Place: Ahmedabad
Date: 25th May, 2017

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership
No. A26493

Place: Ahmedabad
Date: 25th May, 2017

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE IV

STATEMENT ON ADJUSTMENTS TO STANDALONE FINANCIAL STATEMENTS

MATERIAL RESTATEMENT ADJUSTEMENTS:

The summary of results of restatements made in the audited standalone financial statements for the respective years and its impact on the profit of the company is as follows:

(₹ in Million)					
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
(A) Net Profit as per audited financial statements	2,417.01	1,156.90	831.33	661.20	687.91
(B) Adjustments for:	7.48	331.13	(22.25)	(57.50)	(91.50)
1. Add/(less): Provision for anticipated sales return (Refer Note 1A)	-	332.59	(1.55)	(78.26)	(88.07)
2. Add/(less): Prior Period Expense (Refer Note 1B)	7.48	61.94	(55.51)	(7.83)	(3.43)
3. Add/(less): Prior Period Income (Refer Note 1C)	-	(63.40)	34.81	28.59	-
(C) Tax impact :	(2.60)	(105.38)	18.51	43.89	29.78
1. on above adjustments as per (B) (Refer Note 1D)	(2.60)	(92.06)	23.27	25.81	29.78
2. on Depreciation (Refer Note 1E)	-	(13.32)	(4.76)	18.08	-
(D) Short/(excess) provision of income taxes of earlier years (Refer Note 1F)	3.76	(2.96)	5.66	3.93	31.77
Total Adjustments	8.64	222.79	1.92	(9.68)	(29.95)
Restated profit for the years (A+B+C+D)	2,425.65	1,379.69	833.25	651.52	657.96

Note:

The above statement should be read with the notes to summary statement of restated Standalone assets and liabilities, summary statement of restated Standalone profit and loss and summary statement of restated standalone cash flows as appearing in Annexure I,II and III respectively.

Notes on Material Adjustments

1. Details of Adjustments pertaining to prior years

A. Provision for anticipated sales return:

During the year ended 31st March 2016, the Company has recognised a cumulative provision for anticipated sales returns which includes provision for returns of the goods that were sold in earlier years. For the purpose of this statement, the Company has recognised this provision in the respective years in which the goods were sold.

B. Prior period expense:

During the year ended 31st March 2017 and 31st March 2016, certain item of expenses have been identified as prior period items. For the purpose this statement, such prior period items have been appropriately adjusted in the respective years to which such expenses relate.

C. Prior period income:

During the year ended 31st March 2016, certain item of incomes have been identified as prior period items. For the purpose this statement, such prior period items have been appropriately adjusted in the respective years to which such incomes relate.

D. Tax impact on adjustment:

Tax has been computed on adjustments on (B) as detailed above and has been adjusted in the restated statement of profit and loss for the year ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014, 31st March 2013 and the balance brought forward in the Restated Statement of Profit and Loss as at 1st April 2012.

E. Tax impact on Depreciation:

Effect of Tax on timing differences due to depreciation of Guwahati plant which reversed during the tax holiday period to the extent of company's total income is subject to the deduction during the tax holiday period as per requirement of section 80IE of Income tax Act, 1961.

F. Short/excess provision of income taxes of earlier years:

The Statement of Profit and Loss for certain financial years include amounts paid/ provided for or refunded/ written back, in respect of shortfall/ excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

G. Amortisation of brand:

The company has amortized brand acquired during the year over period of 5 years in the interim financial statement for the period ended September 30, 2016. Subsequent to period ended September 30, 2016, based on technical evaluation useful life of brand is evaluated to be 50 years. For the financial year ended March 31, 2017, in accordance with

Accounting standard 26 “Intangible Assets”, presumptive useful life of 10 year has been used for amortization.

2. Material Regroupings:

Appropriate adjustments have been made in the Restated Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31st March 2017, prepared in accordance with Schedule III of the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Company has presented the Restated Summary Financial Information as at and for the year ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 following the requirements of Schedule III of the Act.

3. Opening Reserve Reconciliation

Particulars	(₹ In Million)
A. Net surplus in statement of profit and loss as at 1 st April 2012 as per audited financial statements	685.56
Adjustments:	
B. Provision for anticipated sales return	(164.70)
C. Prior Period Expense (Lease Rent)	(2.64)
C. Tax Impact on above adjustment	54.30
D. Short/excess provision of earlier years	(42.17)
Net surplus in the summary statement of restated standalone Profit and Loss as at 1 st April 2012.	530.35

ANNEXURE-V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED STANDALONE FINANCIAL INFORMATION

Corporate Information:

Eris Lifesciences Limited ("the Company") was incorporated on January 25, 2007. The Company is engaged in the manufacture and trading business of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam. The company has filed DRHP in the month of February 2017 and is in the process of filing of RHP.

NOTE-1 Significant accounting policies

1.1 Basis of accounting and preparation of financial statements:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention and the accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

1.2 Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP 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.

1.3 Operating cycle:

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.4 Revenue recognition:

- a. Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods have been transferred to the customer. Sales are shown net of discounts and sales returns. Excise duty collected on sales is shown by way of deduction from sales.
- b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the period of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.
- c. Other income:
 - i) Dividend income is recognized when the right to receive dividend is established.
 - ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

1.5 Fixed assets:

Fixed assets are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition of fixed assets till assets are put to use, are capitalized. Subsequent expenditure on fixed assets 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.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

1.6 Depreciation and amortization:

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on additions/ disposals of the fixed assets during the period is provided on pro-rata basis according to the period during which assets were put to use.

Depreciation on fixed Assets (other than 'Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on rates provided in Schedule XIV to the Companies Act, 1956 up to 31st March 2014.

With effect from 1st April, 2014, depreciation on fixed Assets (other than 'Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on the useful lives as prescribed under Schedule II to the Companies Act, 2013 except in respect of some equipments, 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.

Trade Marks, Brand and other similar rights are amortized over their estimated economic life of ten years. Non-compete fees are amortized over their contractual life of five years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

1.7 Impairment of assets:

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized to the extent the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

1.8 Inventories:

- a. Inventories are valued at the lower of cost and net realizable value. Cost of Raw materials, Packing materials and Stores, Spares and Consumables includes all charges in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.
- b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of CENVAT and input tax credit availed], labour and relevant appropriate overheads.
- c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.9 Investments:

Investments are either classified as current or non-current based on the Management's intention on the balance sheet date. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties, if any.

1.10 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.11 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing, and investing activities of the company are segregated based on the available information.

1.12 Borrowing cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is the same as basic earnings per share as the company does not have any dilutive potential equity shares outstanding. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

1.14 Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

(a) Long Term:

(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 plan:** 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 the Statement of Profit and Loss in the period in which they occur.

(C) Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date.

(b) **Short term:** Short term employee benefits are recognized as an expense in the statement of Profit and Loss at the undiscounted amount of the employee benefits paid or expected to be paid for services rendered by the employees during the year. These benefits includes compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

1.15 Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing difference between estimated taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s) and is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

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 is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
- 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 are neither recognised nor disclosed in the consolidated financial statements.

1.17 Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.18 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 period are translated at the exchange rate prevailing at the end of the period. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

NOTE 2: SUMMARY STATEMENT OF RESTATED STANDALONE SHARE CAPITAL

(a) Authorised, Issued, Subscribed and Paid-up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised:					
Equity Shares (Numbers) (Refer note -II)	30,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Face Value (Refer note -II)	1	10	10	10	10
Amount	300.00	100.00	100.00	100.00	100.00
Total	300.00	100.00	100.00	100.00	100.00
Issued, Subscribed and Fully Paid-up :					
Equity Shares (Numbers) (Refer note II)	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Face Value (Refer note II)	1	10	10	10	10
Amount	137.50	1.38	1.38	1.38	1.38
Total	137.50	1.38	1.38	1.38	1.38

(b) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Shares outstanding at the beginning of the year(Numbers)	1,37,500	1,37,500	1,37,500	1,37,500	1,37,500
Amount (₹ in Million)	1.38	1.38	1.38	1.38	1.38
Issued during the year:					
Share Split from ₹10 to ₹1 per share (Refer Note -II) (Numbers)	12,37,500	-	-	-	-
Amount (₹ in Million)	-	-	-	-	-
Bonus shares issued during the year(99 fully paid-up equity shares for every 1 share held) (Refer Note II) (Numbers)	13,61,25,000	-	-	-	-
Amount (₹ in Million)	136.12	-	-	-	-
Shares outstanding at the end of the year (Numbers)	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Amount (₹ in Million)	137.50	1.38	1.38	1.38	1.38

(c) Details of share held by each shareholder holding more than 5% shares:

Name of the shareholder	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
1. Amit Indubhushan Bakshi	5,49,59,000	54,959	51,521	51,521	51,521
% of Shareholding	39.97	39.97	37.47	37.47	37.47
2. Himanshu Jayantbhai Shah	69,72,000	6,972	6,972	6,972	6,972
% of Shareholding	5.07	5.07	5.07	5.07	5.07
3. Inderjeet Singh Negi	69,71,000	6,971	6,971	6,971	6,971
% of Shareholding	5.07	5.07	5.07	5.07	5.07
4. Rajendrakumar Rambhai Patel	69,71,000	6,971	6,971	6,971	6,971
% of Shareholding	5.07	5.07	5.07	5.07	5.07
5. Bhikhalal Chimanlal Shah	1,24,29,000	12,429	15,867	15,867	15,867
% of Shareholding	9.04	9.04	11.54	11.54	11.54
6. Rakeshbhai Bhikhabhai Shah	1,58,54,000	15,854	15,854	15,854	15,854
% of Shareholding	11.53	11.53	11.53	11.53	11.53
7. Botticelli	2,23,44,000	22,344	22,344	22,344	22,344
% of Shareholding	16.25	16.25	16.25	16.25	16.25

Notes:

I. 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.

II. Sub-division, bonus issue and increase in authorised share capital:

In the EGM held on September 05, 2016;

- the authorised share capital of the company has been increased to ₹ 300 million,
- every fully paid-up equity share of ₹ 10 each of the company has been sub-divided into 10 fully paid-up equity shares of ₹ 1 each
- 136,125,000 equity shares of ₹ 1 each have been resolved to be issued as fully paid-up bonus shares (99 bonus shares for every 1 fully paid-up equity share held).

The above events has been approved by the Board of directors in their meeting held on August 11, 2016 which has further been approved by the shareholders in their extraordinary general meeting held on September 05, 2016.

The allotment of bonus shares was approved and concluded by the Board in their meeting held on September 06, 2016.

NOTE 3: SUMMARY STATEMENT OF RESTATED STANDALONE RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
General reserve (A)	7.00	7.00	7.00	7.00	7.00
Surplus in the Restated Summary Statement of Profit and Loss (B)					
Opening balance	3,045.14	2,665.36	1,832.83	1,181.31	530.35
Less: Utilised for issue of bonus shares	(136.12)				
Less: Depreciation charged to reserve (Net of deferred tax ₹ 0.06 million) (Refer note below)	-	-	(0.72)	-	-
Add: Restated Profit for the year	2,425.65	1,379.69	833.25	651.52	657.96
Less: Transfer to general reserve					(7.00)
Less: Interim dividend (₹ 6,042 per share)	-	(830.78)	-	-	-
Less: Tax on interim dividend	-	(169.13)	-	-	-
Closing balance	5,334.67	3,045.14	2,665.36	1,832.83	1,181.31
Total (A+B)	5,341.67	3,052.14	2,672.36	1,839.83	1,188.31

Effective from 1st April, 2014, the Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act, an amount of ₹ 0.78 million, net of deferred tax - ₹ 0.72 million was adjusted against the opening balance as on April 1, 2014 of retained earnings in respect of assets wherein the remaining useful life of the assets is Nil.

NOTE 4: SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Term loan					
Secured term loan from bank	-	5.00	10.00	-	3.88
Less: Current maturities of long-term debt (Refer note-8)	-	(5.00)	(5.00)	-	(3.51)
Total	-	-	5.00	-	0.37

NOTE 5: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER LONG-TERM LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade deposits	17.19	17.37	7.74	7.75	15.39
Deferred Lease rent payment	10.30	7.48	5.63	2.98	0.81
Total	27.49	24.85	13.37	10.73	16.20

NOTE 6: SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits					
Compensated absences	37.58	50.86	55.43	6.93	3.39
Provision for sales returns	147.77	180.12	144.45	163.28	148.94
Total	185.35	230.98	199.88	170.21	152.33

NOTE 7: SUMMARY STATEMENT OF RESTATED STANDALONE TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payables					
Other than acceptances					
Due to micro and small enterprises (Refer note 28.8)	-	-	-	-	-
Due to others	251.10	278.94	360.97	326.45	191.38
Total	251.10	278.94	360.97	326.45	191.38

NOTE 8: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Current maturities of long-term debt (Refer note-4)	-	5.00	5.00	-	3.51
Book overdraft	71.12	32.03	23.25	74.11	35.35
Other payables:					
Dividend distribution tax payable	-	169.13	-	-	-
Statutory liabilities	49.83	42.64	39.77	40.52	23.58
Advances from customers	2.54	3.42	5.92	3.62	2.86
Payable on purchase of fixed assets	0.40	1.62	2.63	23.33	0.01
Total	123.89	253.84	76.57	141.58	65.31

NOTE 9: SUMMARY STATEMENT OF RESTATED STANDALONE SHORT-TERM PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits					
Compensated absences	21.87	20.32	8.37	3.99	1.87
Gratuity (Refer note-28.3)	17.67	5.58	8.98	7.44	8.22
Provision for income tax (net of advance tax)	22.85	3.75	3.75	6.46	10.38
Provision for sales returns	170.64	149.40	188.15	167.76	103.84
Total	233.03	179.05	209.25	185.65	124.31

NOTE 10: SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block			Balance as at March 31, 2013	Balance as at April 1, 2012	Accumulated Depreciation			Balance as at March 31, 2013	Net Block	
	Balance as at April 1, 2012	Additions	Deductions			Additions	Adjustments	Deductions		Balance as at March 31, 2013	Balance as at March 31, 2012
(a) Tangible Assets											
Freehold Land	8.05	-	-	8.05	-	-	-	-	-	8.05	8.05
Building	22.65	-	-	22.65	0.98	1.08	-	-	2.06	20.59	21.67
Plant and machinery	-	-	-	-	-	-	-	-	-	-	-
Vehicles	78.04	32.07	9.55	100.56	23.92	13.90	-	4.59	33.23	67.33	54.12
Furniture and fixtures	10.57	22.46	-	33.03	2.87	2.73	-	-	5.60	27.43	7.70
Equipment	28.58	17.80	2.70	43.68	14.32	5.24	-	0.72	18.84	24.84	14.26
Total	147.89	72.33	12.25	207.97	42.09	22.95	-	5.31	59.73	148.24	105.80
(b) Intangible Assets											
Trademarks	0.57	0.39	-	0.96	0.09	0.12	-	-	0.21	0.75	0.48
Computer Software - Acquired	0.19	-	-	0.19	0.12	0.03	-	-	0.15	0.04	0.07
Total	0.76	0.39	-	1.15	0.21	0.15	-	-	0.36	0.79	0.55
Grand Total	148.65	72.72	12.25	209.12	42.30	23.10	-	5.31	60.09	149.03	106.35

NOTE 10: SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block			Balance as at March 31, 2014	Balance as at April 1, 2013	Accumulated Depreciation			Balance as at March 31, 2014	Net Block	
	Balance as at April 1, 2013	Additions	Deductions			Additions	Adjustments	Deductions		Balance as at March 31, 2014	Balance as at March 31, 2013
(a) Tangible Assets											
Freehold Land	8.05	22.98	-	31.03	-	-	-	-	-	31.03	8.05
Building	22.65	200.63	-	223.28	2.06	1.40	-	-	3.46	219.82	20.59
Plant and machinery	-	247.34	-	247.34	-	0.63	-	-	0.63	246.71	-
Vehicles	100.56	12.75	0.85	112.46	33.23	18.23	-	0.47	50.99	61.47	67.33
Furniture and fixtures	33.03	12.51	1.09	44.45	5.60	5.15	-	0.64	10.11	34.34	27.43
Equipment	43.68	24.95	0.45	68.18	18.84	10.96	-	0.22	29.58	38.60	24.84
Total	207.97	521.16	2.39	726.74	59.73	36.37	-	1.33	94.77	631.97	148.24
(b) Intangible Assets											
Trademarks	0.96	0.57	-	1.53	0.21	0.20	-	-	0.41	1.12	0.75
Computer Software - Acquired	0.19	6.29	-	6.48	0.15	0.88	-	-	1.03	5.45	0.04
Total	1.15	6.86	-	8.01	0.36	1.08	-	-	1.44	6.57	0.79
Grand Total	209.12	528.02	2.39	734.75	60.09	37.45	-	1.33	96.21	638.54	149.03

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 10: SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block			Balance as at March 31, 2015	Balance as at April 1, 2014	Accumulated Depreciation			Balance as at March 31, 2015	Net Block	
	Balance as at April 1, 2014	Additions	Deductions			Additions	Adjustments	Deductions		Balance as at March 31, 2015	Balance as at March 31, 2014
(a) Tangible Assets											
Freehold Land	31.03	-	-	31.03	-	-	-	-	-	31.03	31.03
Building	223.28	10.02	-	233.30	3.46	20.68	-	-	24.14	209.16	219.82
Plant and machinery	247.34	22.30	-	269.64	0.63	47.87	-	-	48.50	221.14	246.71
Vehicles	112.46	49.83	1.68	160.61	50.99	32.78	-	1.10	82.67	77.94	61.47
Furniture and fixtures	44.45	4.50	-	48.95	10.11	10.01	-	-	20.12	28.83	34.34
Equipment	68.18	27.53	-	95.71	29.58	31.59	0.78	-	61.95	33.76	38.60
Electrical installation	-	4.91	-	4.91	-	0.99	-	-	0.99	3.92	-
Total	726.74	119.09	1.68	844.15	94.77	143.92	0.78	1.10	238.37	605.78	631.97
(b) Intangible Assets											
Trademarks	1.53	0.22	-	1.75	0.41	0.32	-	-	0.73	1.02	1.12
Computer Software - Acquired	6.48	2.85	-	9.33	1.03	2.42	-	-	3.45	5.88	5.45
Total	8.01	3.07	-	11.08	1.44	2.74	-	-	4.18	6.90	6.57
Grand Total	734.75	122.16	1.68	855.23	96.21	146.66	0.78	1.10	242.55	612.68	638.54

NOTE 10: SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(₹ in Million)

Particulars		Gross block				Accumulated depreciation				Net block	
	As at April 1, 2015	Additions	Deductions	Balance as at March 31, 2016	Balance as at April 1, 2015	Additions	Adjustments	Deductions	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
(a) Tangible assets											
Freehold Land	31.03	-	-	31.03	-	-	-	-	-	31.03	31.03
Building	233.30	-	-	233.30	24.14	19.01	-	-	43.15	190.15	209.16
Plant and machinery	269.64	3.24	-	272.88	48.50	40.28	-	-	88.78	184.10	221.14
Vehicles	160.61	2.13	4.78	157.96	82.67	25.23	-	3.94	103.96	54.00	77.94
Furniture and fixtures	48.95	2.56	-	51.51	20.12	8.20	-	-	28.32	23.19	28.83
Equipment	95.71	220.48	-	316.19	61.95	98.67	-	-	160.62	155.57	33.76
Electrical installation	4.91	0.02	-	4.93	0.99	1.02	-	-	2.01	2.92	3.92
Total	844.15	228.43	4.78	1,067.80	238.37	192.41	-	3.94	426.84	640.96	605.78
(b) Intangible assets											
Trademarks	1.75	0.22	-	1.97	0.73	0.29	-	-	1.02	0.95	1.02
Computer Software - Acquired	9.33	2.91	-	12.24	3.45	2.79	-	-	6.24	6.00	5.88
Total	11.08	3.13	-	14.21	4.18	3.08	-	-	7.26	6.95	6.90
Grand total	855.23	231.56	4.78	1,082.01	242.55	195.49	-	3.94	434.10	647.91	612.68

NOTE 10: SUMMARY STATEMENT OF RESTATED STANDALONE FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at April 1, 2016	Additions	Deductions	Balance as at March 31, 2017	Balance as at April 1, 2016	Additions	Adjustments	Deductions	Balance as at March 31, 2017	Balance as at March 31, 2017	Balance as at March 31, 2016
(a) Tangible Assets											
Freehold Land	31.03	-	-	31.03	-	-	-	-	-	31.03	31.03
Building	233.30	-	-	233.30	43.15	17.24	-	-	60.39	172.91	190.15
Plant and Machinery	272.88	6.44	-	279.32	88.78	33.96	-	-	122.74	156.58	184.10
Vehicles	157.96	1.68	5.73	153.91	103.96	17.18	-	4.71	116.43	37.48	54.00
Furnitures and Fixtures	51.51	0.51	-	52.02	28.32	6.25	-	-	34.57	17.45	23.19
Equipment	316.19	91.52	23.92	383.79	160.62	126.19	-	22.73	264.08	119.71	155.57
Electrical Installation	4.93	0.19	-	5.12	2.01	0.77	-	-	2.78	2.34	2.92
Total	1,067.80	100.34	29.65	1,138.49	426.84	201.59	-	27.44	600.99	537.50	640.96
(b) Intangible Assets											
Trademarks	1.97	0.19	-	2.16	1.02	0.14	-	-	1.16	1.00	0.95
Computer Software - Acquired	12.24	7.26	0.19	19.31	6.24	2.01	-	0.18	8.07	11.24	6.00
Brand	-	328.70	-	328.70	-	21.16	-	-	21.16	307.54	-
Non-compete fees	-	50.00	-	50.00	-	6.44	-	-	6.44	43.56	-
Total	14.21	386.15	0.19	400.17	7.26	29.75	-	0.18	36.83	363.34	6.95
Grand Total	1,082.01	486.49	29.84	1,538.66	434.10	231.34	-	27.62	637.82	900.84	647.91

NOTE 11: SUMMARY STATEMENT OF RESTATED STANDALONE NON CURRENT INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade investments (unquoted) (valued at cost) (Refer note 28.4)					
Investment in equity instruments of subsidiary	773.79	-	-	-	-
Investment in equity instruments	25.95	25.95	-	-	-
Investment in partnership firm	-	-	157.75	136.40	115.47
Non-trade investment (valued at cost) (Refer note 28.4)					
Investment in equity instruments (quoted)	15.00	15.00	15.00	-	-
Investment in National Saving Certificate	-	-	-	-	0.05
Investment in Mutual Fund (unquoted)	60.00	585.00	957.75	170.00	-
	874.74	625.95	1,130.50	306.40	115.52
Aggregate value of quoted investments	15.00	15.00	15.00	-	-
Aggregate Market value of quoted investments	12.90	11.58	13.00	-	-
Aggregate value of unquoted investments	859.74	610.95	1,115.50	306.40	115.52

NOTE 12: SUMMARY STATEMENT OF RESTATED STANDALONE DEFERRED TAX ASSETS (NET)

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets					
On difference between book balance and tax balance of fixed assets	27.41	26.92	8.90	0.69	0.56
Disallowances under Section 43B of the Income Tax Act, 1961	20.57	24.63	22.08	3.71	1.79
Others	3.57	2.59	1.94	1.01	0.27
Deferred tax liability					
Others	-	-	-	(3.44)	-
Net Deferred tax Assets / (Liabilities)	51.55	54.14	32.92	1.97	2.62

NOTE 13: SUMMARY STATEMENT OF RESTATED STANDALONE LONG-TERM LOANS AND ADVANCES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good					
Loans and advances to related party (Refer note-28.1)					
To subsidiary	-	-	5.86	5.86	-
Security deposits	44.56	42.49	40.79	43.26	34.69
Advance income tax (net of provision)	106.74	110.16	116.95	113.36	92.01
Minimum Alternate Tax credit entitlement	452.11	132.30	-	-	-
Advances recoverable in cash or kind or for value to be received	30.64	38.07	13.04	21.16	11.01
Total	634.05	323.02	176.64	183.64	137.71

NOTE 14: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER NON-CURRENT ASSET

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Receivable on sale of Investment in subsidiary	24.00	-	-	-	-
Total	24.00	-	-	-	-

Note 15: SUMMARY STATEMENT OF RESTATED STANDALONE CURRENT INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade investments					
Investment in partnership firm	-	162.90	-	-	-
Non-trade investment (unquoted) (valued at lower of cost and fair value) (Refer note 28.5)					
Investment in mutual funds	2,581.63	1,271.23	692.40	669.64	465.00
Investment in tax free bonds	3.20	3.20	-	-	-
Total	2,584.83	1,437.33	692.40	669.64	465.00

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NOTE 16: SUMMARY STATEMENT OF RESTATED STANDALONE INVENTORIES
(At lower of cost and net realisable value)

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Raw Material and Packing Material *	114.83	55.88	79.03	51.51	-
Work-in-progress	12.95	19.89	28.71	-	-
Finished goods	255.77	205.34	222.93	-	-
Stock-in-trade **	87.84	212.19	207.18	403.34	519.68
Stores, spares & consumables	0.62	1.28	0.48	-	-
Total	472.01	494.58	538.33	454.85	519.68
* Goods in transit included in Raw material and Packing material	3.33	8.53	11.79	22.46	-
** Goods in transit included in Stock-in-trade	3.52	0.25	-	-	31.14

NOTE 17: SUMMARY STATEMENT OF RESTATED STANDALONE TRADE RECEIVABLES

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good					
Outstanding for a period exceeding six months from the date they were due for payment	3.10	2.20	1.98	1.66	2.02
Others	409.92	251.42	234.23	221.43	163.94
Total	413.02	253.62	236.21	223.09	165.96

NOTE 18: SUMMARY STATEMENT OF RESTATED STANDALONE CASH AND CASH EQUIVALENTS

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Cash and cash equivalents					
Cash on hand	0.46	15.41	8.65	5.38	4.85
Balances with banks in current accounts	19.54	69.35	40.42	53.64	7.91
(b) Other bank balances					
In fixed deposit accounts having original maturity of more than 3 months	0.55	0.53	0.05	-	22.40
Total	20.55	85.29	49.12	59.02	35.16

NOTE 19: SUMMARY STATEMENT OF RESTATED STANDALONE SHORT-TERM LOANS AND ADVANCES

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good					
Loans and advances to related party (Refer note-28.1)					
To subsidiaries	152.15	5.86	-	-	-
Security deposits	0.01	0.23	5.42	44.15	21.00
Loans and advances to employees	8.63	15.40	8.08	8.90	8.77
Prepaid expenses	9.54	9.30	7.99	8.38	8.03
Advance income tax (net of provision)	-	9.24	-	-	-
Balances with government authorities					
Cenvat credit receivable	13.56	9.61	11.32	21.35	0.41
Others	23.36	1.26	0.56	0.53	-
Advance recoverable in cash or kind or for value to be received	37.43	46.08	34.34	55.37	110.70
Total	244.68	96.98	67.71	138.68	148.91

NOTE 20: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER CURRENT ASSETS

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Insurance claim receivable	0.07	2.09	2.27	-	-
Interest accrued	0.15	0.27	-	-	-
Receivable on sale of Investment in subsidiary	6.00	-	-	-	-
IPO Expense Recoverable (Refer note 28.12)	73.54	-	-	-	-
Total	79.76	2.36	2.27	-	-

NOTE 21: SUMMARY STATEMENT OF RESTATED STANDALONE REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Sale of products (21.1), (21.2)	6,884.23	6,023.25	5,472.41	5,084.53	3,929.76
Less: Excise duty	(245.38)	(177.59)	(89.30)	-	-
Sale of Products (net) (A)	6,638.85	5,845.66	5,383.11	5,084.53	3,929.76
Excise duty refund	191.85	119.15	64.29	-	-
Profit from partnership firm	45.95	85.29	24.64	116.44	239.89
Others	7.01	4.73	7.82	3.65	0.54
Other operating income (B)	244.81	209.17	96.75	120.09	240.43
Total (A+B)	6,883.66	6,054.83	5,479.86	5,204.62	4,170.19

(21.1) Details of Products sold

Tablets and Capsules	6,521.57	5,641.77	5,152.36	4,832.93	3,787.25
Other	362.66	381.48	320.05	251.60	142.51
Total	6,884.23	6,023.25	5,472.41	5,084.53	3,929.76

(21.2) Details of Products sold

Sale of manufactured products	4,327.81	3,105.62	1,538.76	-	-
Sale of traded products	2,556.42	2,917.63	3,933.65	5,084.53	3,929.76
Total	6,884.23	6,023.25	5,472.41	5,084.53	3,929.76

NOTE 22: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Interest income (Recurring)	8.68	3.29	0.18	1.10	2.37
Dividend income from non current Investment (Recurring)	0.35	0.30	-	0.18	9.52
Net gain on current investments sold (Recurring)	168.11	29.07	33.15	42.32	2.17
Provision for diminution in value of investment written back (Non Recurring)	13.49	-	-	-	-
Profit on fixed assets sold (Non Recurring)	-	-	0.17	-	-
Miscellaneous income (Recurring)	0.14	0.17	0.78	-	0.04
Total	190.77	32.83	34.28	43.60	14.10

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NOTE 23: SUMMARY STATEMENT OF RESTATED STANDALONE COST OF MATERIAL CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year Ended March 31, 2014	Year ended March 31, 2013
Raw materials and packing materials					
Opening stock	55.88	79.03	51.51	-	-
Add: Purchases during the year	512.70	358.32	344.79	51.51	-
Less: Closing stock	(114.83)	(55.88)	(79.03)	(51.51)	-
Total	453.75	381.47	317.27	-	-

NOTE 24: SUMMARY STATEMENT OF RESTATED STANDALONE CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN PROGRESS AND STOCK-IN-TRADE

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Opening stock					
Stock-in-trade	212.19	207.18	403.34	519.68	230.63
Finished goods	205.34	222.93	-	-	-
Work-in-progress	19.89	28.71	-	-	-
	437.42	458.82	403.34	519.68	230.63
Less: Closing stock					
Stock-in-trade	87.84	212.19	207.18	403.34	519.68
Finished goods	255.77	205.34	222.93	-	-
Work-in-progress	12.95	19.89	28.71	-	-
	356.56	437.42	458.82	403.34	519.68
Net (Increase) / decrease in stocks	80.86	21.40	(55.48)	116.34	(289.05)

NOTE 25: SUMMARY STATEMENT OF RESTATED STANDALONE EMPLOYEE BENEFIT EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Salaries, wages and bonus	1,098.54	1,131.17	1,105.81	823.94	611.30
Contribution to provident and other funds	50.27	57.44	103.55	33.12	27.34
Staff welfare expenses	21.81	34.95	28.17	21.47	14.37
Total	1,170.62	1,223.56	1,237.53	878.53	653.01

NOTE 26: SUMMARY STATEMENT OF RESTATED STANDALONE OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Power and fuel	29.32	27.38	41.31	2.36	1.48
Consumption of stores and spares (Indigenous)	21.11	20.82	14.85	5.82	-
Labour and security	17.76	13.13	12.08	-	-
Testing charges	5.84	9.07	8.32	3.36	-
Excise duties	44.29	7.85	55.03	-	-
Rent (Refer Note 28.6)	40.61	56.62	38.51	27.49	20.80
Freight and forwarding	69.25	64.01	62.45	40.31	30.02
Commission	131.90	117.60	104.62	109.65	86.67
Advertising, publicity and awareness	315.83	444.40	336.77	730.60	276.76
Repairs and maintenance					
Buildings	14.92	15.13	16.67	2.53	-
Machinery	0.31	0.52	0.12	-	-
Other	9.78	5.37	5.75	4.80	22.55
Selling and distribution	212.95	197.49	200.84	246.86	234.36
Travelling and conveyance	640.97	615.68	718.83	650.66	583.01
Communication	20.33	22.14	22.75	14.01	37.54
Legal and professional	302.22	300.29	331.98	299.17	267.07
Rates and taxes	26.07	25.97	32.99	19.46	9.59
Insurance	7.02	6.95	4.98	3.31	2.67
Payments to statutory auditor-for audit (Excluding service tax for current year)	2.50	1.38	0.93	0.93	0.56
Payments to cost auditor-for audit	0.08	0.09	-	-	-
Loss on fixed assets sold/written off	1.87	0.55	-	0.66	5.62
Corporate Social Responsibility Expenditure	1.10	-	-	-	-
Debts written off	-	-	-	-	34.58
Preliminary expenses	-	-	0.26	0.26	0.32
Donations	0.08	0.60	1.06	0.37	0.19
Bank charges	0.59	1.57	0.02	0.25	0.51
Loss on sale of partnership firm	13.49	-	-	-	-
Provision for diminution in non current investment	-	13.49	-	-	1.06
Dimunition in value of investment	3.97	-	-	-	-
Miscellaneous	8.01	6.40	5.47	1.03	3.07
Total	1,942.17	1,974.50	2,016.59	2,163.89	1,618.43

NOTE 27: SUMMARY STATEMENT OF RESTATED STANDALONE FINANCE COST

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Interest expense on borrowings	1.08	1.20	0.06	0.37	2.66
Total	1.08	1.20	0.06	0.37	2.66

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NOTE 28: OTHER NOTES

Note 28.1 Related Party Disclosures

List of Related Parties and description of their relationship is as follows:

Sr. No	Name of the entity	Relationship
1	Mr. Amit Bakshi, Managing Director	Key Managerial Personnel
2	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund	Enterprise controlled by the Company
3	Sozin Flora Pharma	Enterprise controlled by the Company (Upto August 31, 2016)
4	Eris Therapeutics Private Limited	Subsidiary
5	Aprica Healthcare Private Limited	Subsidiary (from July 12, 2016)
6	Kinedex Healthcare Private Limited	Subsidiary (from November 23, 2016)

Transactions with related parties are as follows:

(₹ in Million)

Sr. No	Particulars	Relationship	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1	Mr. Amit Bakshi	Key Managerial Personnel					
	Salary and commission		19.73	25.39	54.90	49.93	24.91
2	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund	Enterprise controlled by the Company					
	Contribution to gratuity fund		17.67	5.58	8.99	7.44	8.32
3	Sozin Flora Pharma	Enterprise controlled by the Company					
	Purchases of Stock-in-trade		172.71	440.18	216.72	500.80	761.31
	Sales of material		0.16	2.87	11.99	-	-
	Purchase of material		4.75	1.36	5.55	-	-
	Purchase of asset		3.14	-	1.28	-	-
	Share of profit from partnership		45.95	85.30	24.64	116.44	239.89
4	Eris Therapeutics Private Limited	Subsidiary					
	Advances written off		-	-	-	-	15.53
	Loans given		-	-	-	5.86	-
	Loans Received Back		5.86	-	-	-	-
	Dividend received		-	-	-	-	-
	Interest Income		-	-	-	-	-
5	Aprica Healthcare Private Limited	Subsidiary					
	Net Loans and Advances Given		67.90	-	-	-	-
	Royalty Income		2.45	-	-	-	-
6	Kinedex Healthcare Private Limited	Subsidiary					
	Net Loans and Advances Given		82.00	-	-	-	-
	Interest Income		2.50	-	-	-	-

Balances with related parties as at end of the year

(₹ in Million)

Sr. No	Particulars	Relationship	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
1	Sozin Flora Pharma	Enterprise controlled by the Company					
	Trade payable		N.A.	55.04	41.61	34.76	40.28
	Investment in partnership firm			176.40	157.75	136.40	115.47
2	Eris Therapeutics Private Limited	Subsidiary					
	Loans and advances Given		-	5.86	5.86	5.86	-
3	Aprica Healthcare Private Limited	Subsidiary					
	Loans and advances Given		67.90	-	-	-	-
	Trade Receivable		2.55	-	-	-	-
4	Kinedex Healthcare Private Limited	Subsidiary					
	Loans and advances Given		84.25	-	-	-	-

Note 28.2 Segment Reporting

The primary and secondary reportable segments considered are business segments and geographical segments respectively. The company operates in a solitary business segment i.e. pharmaceuticals. Accordingly, no further disclosures for business segments have been given. Since the company has its operations in India only, disclosures relating to geographical segments have also not been presented separately.

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Note 28.3 Retirement benefit plans:
A) Defined contribution plans:

The company makes Provident Fund contributions, which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The company recognised following amounts as an expense included in Note-26 'Contribution to Provident Fund and Other funds' in the statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of schemes. The company makes contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The company recognised following amounts in note 26 'contribution to Provident Fund and Other Funds' in the statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of scheme.

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provident Fund Contribution	39.47	41.65	33.91	19.86	16.28
Contribution to ESIC	4.04	1.98	1.36	0.15	0.13

B) Defined benefit plans:

The company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.5 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 AS-15 and the amounts recognized in the Company's restated financial statements:

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Change in present value of obligations :					
Obligations at beginning of the year	45.33	38.16	26.07	17.98	8.86
Service Cost	10.83	9.72	9.52	7.63	4.47
Interest Cost	3.15	2.57	1.86	1.44	0.71
Actuarial (gain)/loss	5.99	2.33	6.46	(0.37)	3.94
Benefits paid	(5.50)	(7.45)	(5.75)	(0.61)	-
Obligations at the end of the year	59.80	45.33	38.16	26.07	17.98
Change in plan assets :					
Fair value of plan assets at the beginning of the year	39.75	29.18	18.63	9.76	8.89
Expenses deducted from the fund	(1.19)	(1.02)	-	-	-
Expected returns on plan assets	2.99	2.00	2.18	1.26	0.81
Actuarial (loss)/gain	(0.32)	0.67	-	-	-
Employer Contributions	6.40	9.82	14.12	8.22	0.06
Benefits paid	(5.50)	(7.45)	(5.75)	(0.61)	-
Adjustment to the fund	-	6.55	-	-	-
Fair Value of plan assets at the end of the year	42.13	39.75	29.18	18.63	9.76
Return of plan assets :					
Expected returns on plan assets	2.99	2.00	2.18	1.26	0.81
Actuarial (loss)/gain	(0.32)	0.67	-	-	-
Actual return on plan assets	2.67	2.67	2.18	1.26	0.81
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	59.80	45.33	38.16	26.07	17.98
Less : Fair value of plan assets	42.13	39.75	29.18	18.63	9.76
Funded status [Surplus/(deficit)]	(17.67)	(5.58)	(8.98)	(7.44)	(8.22)
Net liability recognised in the Balance Sheet	(17.67)	(5.58)	(8.98)	(7.44)	(8.22)
Gratuity Cost for the year					
Service Cost	10.83	9.72	9.52	7.63	4.47
Interest Cost	3.15	2.57	1.86	1.44	0.71
Expected returns on plan assets	(2.99)	(2.00)	(2.18)	(1.26)	(0.81)
Actuarial (gain)/loss	6.31	1.66	6.46	(0.37)	3.94
Expenses deducted from the fund	1.19	1.02	-	-	-
Adjustment to the fund	-	(6.55)	-	-	-
Net Gratuity cost charged to Statement of Profit and Loss	18.49	6.42	15.66	7.44	8.31
Assumptions:					
Discount rate*	6.75%	7.45%	8.00%	8.00%	8.00%
Estimated rate of return on plan assets**	6.75%	7.45%	8.00%	8.00%	9.15%
Annual increase in salary costs#	7.00%	7.00%	7.00%	7.00%	7.00%

* 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.

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Experience Adjustment					
Defined benefit obligation	59.80	45.33	38.16	26.07	17.98
Plan assets	42.13	39.75	29.18	18.63	9.76
Surplus/(deficit)	(17.67)	(5.58)	(8.98)	(7.44)	(8.22)
Experience adjustments on plan liabilities [(Gains) / Losses]	5.99	2.33	6.46	(0.37)	3.94
Experience adjustments on plan assets [Gains / (Losses)]	(0.32)	0.67	-	-	-

Investment details of plan assets:

The plan assets are managed by Insurance Company viz Life Insurance Corporation of India who has invested the funds substantially as under:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	%	%	%	%	%
Policy of insurance	86%	84%	100%	100%	100%
Deposits with banks in saving account	14%	16%	-	-	-

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Note 28.4 Non current investments

(₹ in Million)

Particulars	Face value in ₹ (per unit/share)	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
		Units/Shares (Numbers)	(₹ in Million)	Units/Shares (Numbers)	(₹ in Million)	Units/Shares (Numbers)	(₹ in Million)	Units/Shares (Numbers)	(₹ in Million)	Units/Shares (Numbers)	(₹ in Million)
A. Trade investments in equity instruments (unquoted) (valued at cost)											
(i) of subsidiaries											
Investment in Equity Instrument of Eris Therapeutics Private Limited (Subsidiary), fully paid equity shares of ₹ 10 each	10	10,000	1.06	10,000	1.06	10,000	1.06	10,000	1.06	10,000	1.06
Less: Provision for diminution in value of investments			(1.06)		(1.06)		(1.06)		(1.06)		(1.06)
Investment in Equity Instrument of Aprica Healthcare Private Limited (Subsidiary), fully paid equity shares	10	10,000	0.10	-	-	-	-	-	-	-	-
Investment in Equity Instrument of Kinedex Healthcare Private Limited (Subsidiary), fully paid equity shares	10	1,37,758	773.69	-	-	-	-	-	-	-	-
(ii) of other entities											
Investment in equity instruments of S3V Vascular Technologies Private Limited, fully paid equity shares of ₹10 each	10	3,81,588	25.95	3,81,588	25.95	-	-	-	-	-	-
B. Investment in partnership firm (28.4.1)		-	-	-	-	-	157.75	-	136.40	-	115.47
C. Non-trade investment (valued at cost)											
Investment in equity instruments of HCL Technologies, fully paid equity shares. (quoted)	2	14,745	15.00	14,745	15.00	14,745	15.00	-	-	-	-
Investment in National Saving Certificate		-	-	-	-	-	-	-	-	-	0.05
Investment in Mutual Fund (unquoted)											
Reliance Fixed Horizon Fund XXV S17	10	-	-	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	-	-
BSL FTP-Series JX-Growth	10	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	-	-
ICICI Prudential FMP Series 74	10	-	-	1,65,00,000	165.00	1,65,00,000	165.00	-	-	-	-
BSL FTP Series LU	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
Reliance FMP-XXVII-Series 3 (1109 days)	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
Reliance FMP-XXVII-Series 4 (1105 days)	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
LIC Nomura MF FMP Series 64	10	-	-	-	-	50,00,000	50.00	50,00,000	50.00	-	-
Kotak FMP Series 105	10	-	-	-	-	1,25,00,000	125.00	-	-	-	-
HDFC FMP 370D July 2013	10	-	-	-	-	82,74,980	82.75	-	-	-	-
Birla Sun Life Fixed Term Plan-Series IC	10	-	-	-	-	65,00,000	65.00	-	-	-	-
Sundaram Fixed Term Plan-DY	10	-	-	-	-	50,00,000	50.00	-	-	-	-
			874.74		625.95		1,130.50		306.40		115.52
Aggregate value of quoted investments			15.00		15.00		15.00		-		-
Aggregate Market value of quoted investments			12.90		11.58		13.00		-		-
Aggregate value of unquoted investments			859.74		610.95		1,115.50		306.40		115.52

(28.4.1) Details relating to restated investment in partnership firm:

Name of the firm: Sozin Flora Pharma		(₹ in Million)									
Names of partners in the firm		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
		Profit sharing ratio (%)	Closing capital	Profit sharing ratio (%)	Closing capital	Profit sharing ratio (%)	Closing capital	Profit sharing ratio (%)	Closing capital	Profit sharing ratio (%)	Closing capital
Eris Lifesciences Private Limited				99.00%	176.40	99.00%	157.75	99.00%	136.40	99.00%	115.47
Mr. Dinesh Jain				0.40%	1.28	0.40%	0.93	0.40%	3.54	0.40%	4.86
Mr. Sukhmal Jain				0.30%	0.37	0.30%	0.12	0.30%	2.66	0.30%	3.63
Mr. Rajesh Jain				0.30%	2.92	0.30%	2.66	0.30%	5.20	0.30%	6.15
Total				100.00%	180.97	100.00%	161.46	100.00%	147.80	100.00%	130.11

The company has received ₹ 65 millions on retirement from partnership firm "Sozin Flora Pharma". This has resulted in a loss of ₹ 13.49 millions to the company.

Note 28.5 Current investments

(₹ in Million)

Particulars	Face value in ₹ (per unit/bond)	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
		Units/Bonds (Numbers)	(₹ in Million)	Units/Bonds (Numbers)	(₹ in Million)	Units/Bonds (Numbers)	(₹ in Million)	Units/Bonds (Numbers)	(₹ in Million)	Units/Bonds (Numbers)	(₹ in Million)
Trade investments (unquoted) (valued at lower of cost and fair value)											
Investment in partnership firm (28.4.1)		-	-	-	176.40	-	-	-	-	-	-
Less: Provision for diminution in value of investments		-	-	-	(13.49)	-	-	-	-	-	-
Non-trade investment (unquoted) (valued at lower of cost and fair value)											
Investment in mutual funds											
IDFC Dynamic Bond Fund	10	-	-	-	-	-	-	1,12,18,562	150.00	1,12,18,562	150.00
Birla Sunlife Fixed Term Plan Series FN-G	10	-	-	-	-	-	-	-	-	20,00,000	20.00
HDFC FMP 370D May 2012 (1) Series XXI	10	-	-	-	-	-	-	-	-	10,00,000	10.00
HDFC FMP 371D July-2012(2)-G-Series 22	10	-	-	-	-	-	-	-	-	30,00,000	30.00
HDFC FMP 371D June-2012(1)-G-Series 22	10	-	-	-	-	-	-	-	-	20,00,000	20.00
ICICI Pru. FMP Series 64-367 Days Plan B	10	-	-	-	-	-	-	-	-	20,00,000	20.00
SBI Debt Fund Series 366D-10	10	-	-	-	-	-	-	-	-	50,00,000	50.00
SBI Debt Fund Series 366D-15	10	-	-	-	-	-	-	-	-	75,00,000	75.00
SBI Debt Fund Series 366D-2	10	-	-	-	-	-	-	-	-	40,00,000	40.00
SBI Debt Fund Series 366D-6	10	-	-	-	-	-	-	-	-	20,00,000	20.00
Sundaram MF FMP Plan CT 367 Days	10	-	-	-	-	-	-	-	-	20,00,000	20.00
TATA FMP Series 40 Scheme-H	10	-	-	-	-	-	-	-	-	10,00,000	10.00
DWS Treasury Fund - Bonus	100	-	-	-	-	-	-	4,07,524	4.06	-	-
LIC Nomura MF FMP Series 64	10	-	-	57,62,500	59.18	-	-	-	-	-	-
Kotak FMP Series 105	10	-	-	1,27,08,000	127.54	-	-	1,25,00,000	125.00	-	-
HDFC FMP 370D July 2013	10	-	-	93,66,640	96.05	-	-	82,74,980	82.75	-	-
Birla Sun Life Fixed Term Plan-Series IC	10	-	-	65,00,000	65.00	-	-	65,00,000	65.00	-	-
Sundaram Fixed Term Plan-DY	10	-	-	50,00,000	50.00	-	-	50,00,000	50.00	-	-
Reliance FMP Series 10	10	-	-	17,00,000	20.75	-	-	-	-	-	-
Reliance FMP Series 11	10	-	-	7,62,500	9.31	-	-	-	-	-	-
Sundaram Money Fund	10	12,89,414	11.63	12,89,414	15.60	12,89,414	15.60	7,53,541	15.60	-	-
Sundaram Select Debt Short Term Plan	10	9,58,168	10.00	9,58,168	10.00	9,58,168	10.00	9,58,168	10.00	-	-
J.M. Arbitrage Advantage Fund	10	-	-	22,84,222	22.80	22,84,222	22.80	-	-	-	-
HDFC Corporate Debt Opportunity Fund	10	1,81,93,890	200.00	1,81,93,890	200.00	1,81,93,890	200.00	-	-	-	-
Franklin India Corporate Bond Opportunities Fund	10	3,39,88,577	530.00	1,64,51,486	230.00	1,64,51,486	230.00	-	-	-	-
BSL Short Term Opportunities Fund	10	23,52,597	45.00	23,52,597	45.00	23,52,597	45.00	23,52,597	45.00	-	-
Kotak Medium Term Fund	10	2,78,96,191	320.00	2,78,96,191	320.00	-	-	-	-	-	-
BSL Floating Rate STP	10	-	-	-	-	9,09,477	169.00	7,23,073	122.23	-	-
Reliance Fixed Horizon Fund XXV S17	10	60,00,000	60.00	-	-	-	-	-	-	-	-
ICICI Prudential FMP Series	10	1,65,00,000	165.00	-	-	-	-	-	-	-	-
BSL FTP Series LU	10	1,00,00,000	100.00	-	-	-	-	-	-	-	-
Reliance FMP-XXVII-Series 3 (1109 days)	10	1,00,00,000	100.00	-	-	-	-	-	-	-	-
Reliance FMP-XXVII-Series 4 (1105 days)	10	1,00,00,000	100.00	-	-	-	-	-	-	-	-
Franklin India Income Opportunity Fund	10	4,08,91,891	800.00	-	-	-	-	-	-	-	-
ICICI Prudential Liquid Fund	100	1,45,442	35.00	-	-	-	-	-	-	-	-
Kotak Mahindra Liquid Fund	1,000	10,617	35.00	-	-	-	-	-	-	-	-
SBI Premier Liquid Fund	1,000	13,717	35.00	-	-	-	-	-	-	-	-
Axis Liquid Fund A/c	1,000	19,415	35.00	-	-	-	-	-	-	-	-
Investment in Tax Free Bonds											
REC Tax Free Bonds	1,000	1,000	1.07	1,000	1.07	-	-	-	-	-	-
IRFC Tax Free Bonds	1,000	1,000	1.08	1,000	1.08	-	-	-	-	-	-
HUDCO Tax Free Bonds	1,000	1,000	1.05	1,000	1.05	-	-	-	-	-	-
			2,584.83		1,437.33		692.40		669.64		465.00
Aggregate value of unquoted investments			2,584.83		1,437.33		692.40		669.64		465.00

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
Note 28.6 Operating Leases:

The Company has entered into operating leases for office premises & warehouses.

(₹ in Million)					
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Lease payments recognised in the statement of profit & loss as 'Rent' under Other expenses.	40.61	56.62	38.51	27.49	20.80

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
The total future minimum lease payments under non-cancellable leases are as below:					
- Not later than one year	20.94	24.95	19.01	18.20	14.50
- Later than one year and not later than 5 years	86.46	90.31	84.63	80.21	76.55
- Later than five years	33.17	21.89	45.97	69.41	91.26

Note 28.7 Contingent Liability (Also refer note 28.12):

(₹ in Million)					
Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Demands by Income Tax disputed by Company	-	-	3.12	-	0.53
Notices relating to DPCO Matters (refer note below)	129.03	-	-	-	-

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

Note 28.8 Micro Small & Medium Enterprises:

Based on the information available with the Company, there are no enterprises covered under the definition of Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). This has been relied upon by the Auditors.

Note 28.9: CSR expenditure

(₹ in Million)					
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
(a) Gross amount required to be spent by the company during the year	21.35	19.94	17.37	N.A.	N.A.
(b) Gross amount spent by the company during the year	1.10	-	-	-	-

Note 28.10: CIF Value of Imports

(₹ in Million)					
Particulars	Year ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Acquisition of fixed assets	3.24	9.05	-	-	-
Other	0.36	-	-	-	-

Note 28.11: Employee stock option scheme

The Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on 2nd February, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on 3rd February, 2017. 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. 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. 12th April, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.

Note 28.12: Initial Public offer Expenses Recoverable

IPO expenses recoverable comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) only by way of offer for sale by existing shareholders of the Company. These receivables includes fees paid to bankers, stock exchanges, SEBI, lawyers, auditors, etc., in connection with the IPO of the Company. As per offer agreement between the Company and the selling shareholders, upon successful completion of the Offer, all expenses with respect to the IPO will be borne by the selling shareholders in proportion to their respective Offered Shares sold pursuant to the Offer. Accordingly, the

Company has classified the expenses incurred in connection with the IPO as receivable from selling shareholders under Other Current Assets as IPO expenses recoverable.

Note 28.13: Details of Subsequent events

Subsequent to the year ended March 31, 2017, the Company has acquired two trademarks for a consideration of ₹100 Million.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

Note 28.14: Earnings per share

(₹ in million)

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1	Profit after tax as restated (₹. in million)	2,425.65	1,379.69	833.25	651.52	657.96
2	Weighted average number of equity shares outstanding*	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
3	Basic and diluted earnings per share (in ₹)	17.64	10.03	6.06	4.74	4.79
4	Face value per equity share (in ₹)	1.00	1.00	1.00	1.00	1.00

*Number of shares considered are after giving effect of share split and issue of bonus shares.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No.A26493

Place: Ahmedabad
Date: 25th May, 2017

ANNEXURE: VI

RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

		Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
	Particulars					
A.	Net Profit after tax as restated - attributable to equity shareholders - (₹ In Million)	2,425.65	1,379.69	833.25	651.52	657.96
B.	Net Worth - (₹ In Million)	5,479.17	3,053.52	2,673.74	1,841.21	1,189.69
C.	Total number of shares outstanding at the end of the year - (in numbers)(without giving effect of share split and issue of bonus share)	1,37,500	1,37,500	1,37,500	1,37,500	1,37,500
D.	Share Split from ₹10 to ₹1 per share (Refer Note 5)	12,37,500	12,37,500	12,37,500	12,37,500	12,37,500
E.	Total number of Bonus shares issued (Refer Note 5)	13,61,25,000	13,61,25,000	13,61,25,000	13,61,25,000	13,61,25,000
F.	Weighted average number of equity shares outstanding during the year - (in numbers) - (C+D+E)	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
G.	Total number of shares outstanding at the end of the year - (in numbers)(after giving effect of split of share and issue of bonus share) - (C+D+E)	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
H.	Basic Earnings per share (In ₹) (A/F)	17.64	10.03	6.06	4.74	4.79
I.	Return on Net Worth (In %) (A/B)	44.27%	45.18%	31.16%	35.39%	55.31%
J.	Net asset value per equity share (In ₹)(without giving effect of share split and issue of bonus shares) (B/C)	39,848.51	22,207.42	19,445.38	13,390.62	8,652.29
K.	Net asset value per equity share (In ₹)(after giving effect of share split and issue of bonus shares) (B/G)	39.85	22.21	19.45	13.39	8.65

Notes :

- 1 Diluted Earnings Per Share (EPS) is the same as the Basic EPS.
- 2 Net Profit after tax denotes Net Profit after tax, as restated, as disclosed in the Annexure II.
- 3 The ratios have been computed as below:
 - i) **Earnings per Share (₹)**

$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares (including Split and Bonus Shares) outstanding during the year}}$$
 - ii) **Return on net worth (%)**

$$\frac{\text{Net profit / (loss) after tax}}{\text{Net worth excluding revaluation reserve at the end of the year}}$$
 - iii) **Net asset value per equity share (₹)**

$$\frac{\text{Net worth excluding revaluation reserve and preference share capital at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$
- 4 Net profit, as appearing in the Restated Summary Statement of profit and loss, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Standalone restated financial statements of the Company.
- 5 Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share". Every fully paid-up equity share of ₹ 10 each of the company has been sub-divided into 10 fully paid-up equity shares of ₹ 1 each and the Company has issued bonus shares (136,125,000 equity shares) in the ratio of 99:1 (99 bonus shares for every 1 equity share held) and as approved by Board of Directors pursuant to a resolution passed at their meeting held on August 11, 2016 and resolution passed by Shareholders at the Extraordinary General Meeting held on September 05, 2016 by utilising balance in surplus in the statement of profit and loss. These equity shares have been allotted on September 06, 2016. As per the requirements of AS 20 Earnings Per Share, the weighted average number of equity shares considered for calculation of Earnings per Share includes the bonus shares issued and share split and the Earnings per Share for all comparative periods has been presented giving the effect of this issue of bonus shares and share split.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE: VII

STATEMENT OF CAPITALISATION

(₹ in Million)

Particulars	Pre-issue as at March 31, 2017 (Refer Note 1 below)	Increase due to the Issue	Post- issue Amount after considering the Issue (Refer to Note 2 below)
	A	B	C (A+B)
Borrowings			
Short-term borrowings	-	-	-
Long-term borrowings	-	-	-
Current maturities of long-term borrowings	-	-	-
Total borrowings-(a)	-	-	-
Shareholder's funds			
Share Capital	137.50	-	137.50
Reserves and Surplus	5,341.67	-	5,341.67
Total Shareholders' fund-(b)	5,479.17	-	5,479.17
Total borrowings / Shareholders' Funds- (a)/(b)	0		0

Notes:

- 1) Amounts as per restated financial statements of the Company as at and for the year ended March 31, 2017
- 2) The issue of equity share is through offer for sale and hence the amount under post-Issue column is same as appearing under Pre-Issue Column

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE: VIII

RESTATED SUMMARY STATEMENT OF DIVIDEND PAID / PROPOSED BY THE COMPANY

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Class of Shares					
Equity Shares					
Equity Shares - Numbers	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Face Value (₹)	1	10	10	10	10
Amount (₹ in Million)	137.50	1.38	1.38	1.38	1.38
Final Dividend					
Rate of Dividend (%)	-	60420%	-	-	-
Dividend per Share (₹)	-	6,042.00	-	-	-
Amount of Dividend (₹ in Million)	-	830.78	-	-	-
Corporate Dividend Tax (₹ in Million)	-	169.13	-	-	-

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE IX
RESTATEMENT OF TAX SHELTERS

(₹ in Million)

Particulars		Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Profit before taxes, as restated	A	2,662.26	1,539.26	1,026.08	889.23	904.95
Business profession		2,494.15	1,510.19	992.93	846.91	902.78
Short term capital gain		52.24	29.07	18.30	13.73	0.03
Long term capital gain		115.87	-	14.85	28.60	2.14
Applicable tax rate	B	34.61%	34.61%	33.99%	33.99%	32.45%
Business profession		34.61%	34.61%	33.99%	33.99%	32.45%
Short term capital gain		34.61%				32.45%
Long term capital gain		23.07%				21.63%
Tax Expense at applicable rate	C	890.32	532.71	348.76	302.25	293.71
Business profession		863.18	532.71	348.76	302.25	293.61
Short term capital gain		18.08				0.01
Long term capital gain		9.06				0.09
Adjustments						
Permanent Differences						
Section 80IE -Special provision for undertakings in North Eastern States		(1,835.44)	(862.93)	(404.83)	-	-
Share of Profit from Partnership firm		(45.95)	(85.29)	(24.64)	(116.44)	(239.89)
Difference between book depreciation and tax depreciation(Guwahati)		8.79	13.52	14.01	-	-
Dividend Income		(0.58)	(0.52)	-	(0.18)	(9.52)
Long Term Capital Gain Exempt/Setoff against carried forward losses		(19.00)	-	(14.85)	(28.60)	(2.14)
Short Term Capital Gain Exempt/Setoff against carried forward losses		(2.30)	(29.07)	(18.30)	(13.73)	(0.03)
Loss/(Profit) on sale of fixed assets		1.86	0.55	(0.17)	0.66	5.62
Expenses Disallowed		(0.74)	15.56	1.86	12.18	108.15
Total Permanent Differences	D	(1,893.36)	(948.18)	(446.92)	(146.11)	(137.81)
Timing Differences						
Difference between book depreciation and tax depreciation		(0.44)	51.05	23.55	(53.52)	1.82
Provision for Leave Encashment & Lease Equalization Rent		(8.90)	7.38	55.51	7.84	3.43
Total Timing Differences	E	(9.34)	58.43	79.06	(45.68)	5.25
Items Having Difference Tax Rate						
Long Term Capital Gain on Sale of Investment		(20.25)	-	-	-	(0.43)
Short Term Capital Gain on Sale of Investment		(49.94)	-	-	-	(0.03)
Total items having different tax rate	F	(70.19)	-	-	-	(0.46)
Net Adjustment (D+E+F)	G	(1,972.89)	(889.75)	(367.86)	(191.79)	(133.02)
TOTAL INCOME (A+D+E+F)		689.37	649.51	658.22	697.44	771.93
Tax Saving thereon (G * B)	H	(678.25)	(307.92)	(125.04)	(65.19)	(43.16)
Tax Liability (C+H)	I	212.07	224.79	223.73	237.06	250.56
Tax on Capital Gain	J	21.95	-	-	-	0.10
Tax Liability as per Minimum Alternate Tax under section 115JB of Income Tax Act (including Surcharge and applicable cess)	K	553.83	313.09	209.91	161.94	137.40
Current Tax Provision for the Year - Amount Higher of (I) or (K)	L	553.83	313.09	223.73	237.06	250.56
MAT Credit Entitlement		319.81	88.30	-	-	-
Net Current Expenses		234.02	313.09	223.73	237.06	250.56

INDEPENDENT AUDITOR'S REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Eris Lifesciences Limited (Formerly known as Eris Lifesciences Private Limited)

21, New York Tower- A,
Near Muktidham Temple,
Thaltej Cross Road, Thaltej,
Ahmedabad – 380054

Dear Sirs,

1. We have examined, as appropriate (refer paragraphs 4 and 5 below), the attached Restated Consolidated Financial Information of Eris Lifesciences Limited (Formerly known as Eris Lifesciences Private Limited) (the “**Company**”), and its subsidiaries (collectively known as the “**Group**”), which comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Consolidated Summary Statements of Profit and Loss and the Restated Consolidated Summary Statements of Cash Flows for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Summary of Significant Accounting Policies (collectively, the “**Consolidated Restated Financial Information**”), as approved by the Board of Directors of the Company at their meeting held on May 25, 2017 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“**IPO**”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“**the Act**”) read with Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules”);
 - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“**ICDR Regulations**”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the “**Guidance Note**”).
2. The preparation of the Restated Consolidated Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Rules, ICDR Regulations and the Guidance Note.

Our responsibility is to examine the Restated Consolidated Financial Information and confirm whether such Restated Consolidated Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 10th October, 2016 in connection with the proposed offer of equity shares of the Company;
 - b) The Guidance Note ; and
 - c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Unconsolidated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
4. These Restated Consolidated Financial Information have been compiled by the management from the audited

consolidated financial statements as at and for the years ended March 31, 2017, 2016, and 2015 which have been approved by Board of directors at their meetings held on May 25, 2017, September 28, 2016 and September 23, 2015 respectively and the audited financial statements as at and for the years ended March 31, 2014 and 2013 which have been approved by the Board of directors at their meeting held on January 05, 2017.

Audit of the consolidated financial statements for the financial years ended March 31, 2015, 2014 and 2013 was conducted by previous auditors, M/s R R S & Associates and accordingly reliance has been placed on the consolidated financial information examined by them for the said years. The financial report included for these years, i.e. March 31, 2015, 2014 and 2013 are based solely on the report submitted by them.

We did not audit the financial statements of the subsidiaries for the years ended March 31, 2017 and March 31, 2016, (details furnished in Appendix I). The financial statements and other financial information for the subsidiaries have been audited by other firm of Chartered Accountants, M/s R R S & Associates, M/s Gupta Mittal & Associates and M/s Khandhar Mehta and Shah, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in the Restated Consolidated Financial Information of the subsidiaries is based solely on the report of such other auditors.

These other auditors, as mentioned in paragraphs 4, 5 and 6 (of the Company/Group, and the subsidiaries), have confirmed that the restated consolidated financial information/ restated financial information for the above mentioned periods:

- a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
- b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
- c) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

5. Based on our examination, we report that:

- a) The Restated Consolidated Summary Statement of Assets And Liabilities of the Group, including as at March 31, 2015, 2014 and 2013 examined and reported upon by M/s R R S & Associates, on which reliance has been placed by us, and as at March 31, 2017 and 2016 examined by us, as set out in Annexure-I to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Restated Consolidated Summary Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV.
- b) The Restated Consolidated Summary Statement of Profits And Loss of the Group, including for the years ended March 31, 2015, 2014 and 2013 examined and reported upon by M/s R R S & Associates, on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-II to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Consolidated Restated Summary Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV.
- c) The Restated Consolidated Summary Statement of Cash Flows of the Group, including for the years ended March 31, 2015, 2014 and 2013 examined and reported upon by M/s R R S & Associates, on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-III to this report are after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Consolidated Restated Summary Statement of Adjustments to Consolidated Financial Statements as set out in Annexure-IV.
- d) The Summary of Significant Accounting Policies and Notes to Accounts of the Group, including for the years ended March 31, 2015, 2014, 2013 examined and reported upon by M/s R R S & Associates, who have submitted their report on which reliance has been placed by us, and for the years ended March 31, 2017 and 2016 examined by us, as set out in Annexure-V to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Notes to Consolidated Restated Summary Statement of Adjustments to Consolidated Financial

Statements as set out in Annexure-IV.

- e) Based on the above, according to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, M/s R R S & Associates for the respective years, we further report that the Restated Consolidated Financial Information:
- a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - c. do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
6. We have also examined the following restated consolidated financial information of the Group set out in the Annexures, proposed to be included in the offer document, prepared by the management and approved by the Board of Directors on May 25, 2017 for the years ended March 31, 2017, 2016, 2015, 2014 and 2013. In respect of the years ended March 31, 2015, 2014 and 2013, these information have been included based upon the reports submitted by previous auditors, M/s R R S & Associates and relied upon by us:
- a) Summary Statement of Restated Consolidated Share Capital included in Note 2 to Annexure V;
 - b) Summary Statement of Restated Consolidated Reserves and Surplus included in Note 3 to Annexure V;
 - c) Summary Statement of Restated Consolidated Long-Term Borrowings included in Note 4 to Annexure V;
 - d) Summary Statement of Restated Consolidated Other Long-Term Liabilities included in Note 5 to Annexure V;
 - e) Summary Statement of Restated Consolidated Long Term Provisions included in Note 6 to Annexure V;
 - f) Summary Statement of Restated Consolidated Trade Payables included in Note 7 to Annexure V;
 - g) Summary Statement of Restated Consolidated Other Current Liabilities included in Note 8 to Annexure V;
 - h) Summary Statement of Restated Consolidated Short-Term Provisions included in Note 9 to Annexure V;
 - i) Summary Statement of Restated Consolidated Fixed Assets included in Note 10 to Annexure V;
 - j) Summary Statement of Restated Consolidated Non-Current Investments included in Note 11 to Annexure V;
 - k) Summary Statement of Restated Consolidated Deferred Tax Assets (net) included in Note 12 to Annexure V;
 - l) Summary Statement of Restated Consolidated Long-Term Loans and Advances included in Note 13 to Annexure V;
 - m) Summary Statement of Restated Consolidated Other Non-Current Assets included in Note 14 to Annexure V;
 - n) Summary Statement of Restated Consolidated Current Investments included in Note 15 to Annexure V;
 - o) Summary Statement of Restated Consolidated Inventories included in Note 16 to Annexure V;
 - p) Summary Statement of Restated Consolidated Trade Receivables included in Note 17 to Annexure V;
 - q) Summary Statement of Restated Consolidated Cash and Cash Equivalents included in Note 18 to Annexure V;
 - r) Summary Statement of Restated Consolidated Short Term Loans and Advances included in Note 19 to Annexure V;
 - s) Summary Statement of Restated Consolidated Other Current Assets included in Note 20 to Annexure V;
 - t) Summary Statement of Restated Consolidated Revenue from Operations included in Note 21 to Annexure V;
 - u) Summary Statement of Restated Consolidated Other Income included in Note 22 to Annexure V;
 - v) Summary Statement of Restated Consolidated Cost of Materials Consumed included in Note 23 to Annexure V;
 - w) Summary Statement of Restated Consolidated Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade included in Note 24 to Annexure V;

- x) Summary Statement of Restated Consolidated Employee Benefit Expenses included in Note 25 to Annexure V;
- y) Summary Statement of Restated Consolidated Other Expenses included in Note 26 to Annexure V;
- z) Summary Statement of Restated Consolidated Finance Costs included in Note 27 to Annexure V;
- aa) Statement of Additional Information to the Consolidated Financial Statements contained in Notes 28.1 to Note 28.14;
- bb) Statement on Adjustments to Consolidated Financial Statements included in Annexure IV;
- cc) Restated Summary Statement of Accounting Ratios included in Annexure VI;
- dd) Statement of Capitalisation included in Annexure VII;
- ee) Restated Summary Statement of Dividend Paid / Proposed included in Annexure VIII

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, M/s R R S & Associates, in our opinion, the Restated Consolidated Financial Information and the above restated consolidated financial information contained in Annexures I to VII accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure-V, are prepared after making adjustments and regroupings/reclassifications as considered appropriate [Refer Annexure-IV] and have been prepared in accordance with the Act, Rules, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Ahmedabad in connection with the proposed offer of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

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

Kartikeya Raval
Partner
(Membership No. 106189)

Place: Ahmedabad
Date: May 25, 2017

APPENDIX I

Group's share of total assets, total revenues, and net cash flows pertaining to the subsidiaries for the relevant period/year not audited by us is tabulated below:

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	Gross of Elimination	Net of Elimination	Gross of Elimination	Net of Elimination
Total Assets	246.61	246.61	222.46	167.43
Total Revenues	591.38	414.27	436.28	2.03
Net Cash Inflows / (Outflows)	1.54	1.54	2.99	2.99

(₹ in million)

ANNEXURE-I
SUMMARY STATEMENT OF RESTATED CONSOLIDATED ASSETS AND LIABILITIES

(₹ in Million)

Particulars	Note No. of Annexure V	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES :						
(1) Shareholders' Funds						
(a) Share capital	2	137.50	1.38	1.38	1.38	1.38
(b) Reserves and surplus	3	5,261.74	2,991.06	2,655.28	1,763.66	1,059.47
(2) Minority Interest		-	32.01	39.24	43.55	47.48
(3) Non current liabilities						
(a) Long-term borrowings	4	4.94	-	5.00	-	5.63
(b) Other long-term liabilities	5	36.07	24.85	13.37	10.73	16.20
(c) Long-term provisions	6	211.53	230.98	199.87	170.21	152.33
(4) Current liabilities						
(a) Trade payables	7	-	-	-	-	-
Due to micro and small enterprises		385.17	245.67	367.11	373.83	220.17
Due to others		135.16	266.23	77.41	147.66	90.02
(b) Other current liabilities	8	237.86	181.41	214.19	194.97	125.37
(c) Short-term provisions	9					
Total		6,409.97	3,973.59	3,572.85	2,705.99	1,718.05
II. ASSETS :						
(1) Non current assets						
(a) Fixed assets	10					
(i) Tangible assets		553.12	706.70	674.99	710.51	235.17
(ii) Intangible assets		363.34	6.96	6.90	6.58	0.82
(iii) Capital Work in progress		0.74	-	-	-	-
(b) Goodwill on Consolidation		792.61	-	35.53	32.16	32.84
(c) Non current investments	11	100.97	625.97	972.77	170.02	0.07
(d) Deferred tax assets (net)	12	95.15	57.42	33.09	2.14	2.62
(e) Long-term loans and advances	13	635.27	354.13	214.79	229.80	182.98
(f) Other non current assets	14	24.00	-	-	-	-
(2) Current assets						
(a) Current investments	15	2,584.83	1,274.45	692.40	669.64	465.00
(b) Inventories	16	558.20	476.22	576.05	448.11	431.98
(c) Trade receivables	17	488.59	253.69	236.66	223.40	165.96
(d) Cash and cash equivalents	18	24.21	96.94	57.21	72.85	48.97
(e) Short-term loans and advances	19	109.18	117.92	69.36	140.78	151.64
(f) Other current assets	20	79.76	3.19	3.10	-	-
Total		6,409.97	3,973.59	3,572.85	2,705.99	1,718.05

Note:

The above statement should be read with the Summary of Significant Accounting Policies and Notes to Restated Consolidated Financial Information, appearing in Annexure V; and Statement on Adjustments to Consolidated Financial Statements appearing in Annexure IV.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
For and on behalf of the Board of Directors
Kartikeya Raval
Partner

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Place: Ahmedabad
Date: 25th May, 2017
Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No-A26493

Place: Ahmedabad
Date: 25th May, 2017

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE-II

SUMMARY STATEMENT OF RESTATED CONSOLIDATED PROFIT AND LOSS

(₹ in Million)						
Particulars	Note No. of Annexure V	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
REVENUE:						
Revenue from operations (gross)	21	7,494.95	6,147.80	5,544.88	5,088.22	3,930.64
Less: Excise duty	21	(245.38)	(177.59)	(89.30)	-	-
Revenue from operations (net)		7,249.57	5,970.21	5,455.58	5,088.22	3,930.64
Other income	22	191.12	33.72	34.94	44.20	14.49
Total Revenue (I)		7,440.69	6,003.93	5,490.52	5,132.42	3,945.13
EXPENSES:						
(a) Cost of materials consumed	23	504.58	582.30	442.07	276.61	433.55
(b) Purchases of stock-in-trade		569.49	317.13	606.39	669.49	517.53
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(31.00)	77.56	(106.20)	41.18	(213.80)
(d) Employee benefits expense	25	1,319.71	1,246.67	1,256.30	905.43	673.05
(e) Other expenses	26	2,200.38	2,031.07	2,042.49	2,206.32	1,661.44
Total (II)		4,563.16	4,254.73	4,241.05	4,099.03	3,071.77
Restated Profit before interest, tax, depreciation and amortisation (I-II)		2,877.53	1,749.20	1,249.47	1,033.39	873.36
Finance costs	27	2.42	1.20	0.18	2.46	7.12
Depreciation and amortisation expense	10	237.39	203.56	155.14	47.68	34.85
Restated Profit before tax		2,637.72	1,544.44	1,094.15	983.25	831.39
TAX EXPENSE						
(a) Current tax expense		566.56	352.51	232.45	277.40	250.56
(b) (Less): MAT credit		(319.81)	(132.30)	-	-	-
(c) Net current tax expense		246.75	220.21	232.45	277.40	250.56
(d) Deferred tax (credit) / charge		(28.03)	(24.34)	(30.89)	0.48	(3.57)
Net tax expense		218.72	195.87	201.56	277.88	246.99
Restated Profit after tax before share of profit/(loss) of minority interest		2,419.00	1,348.57	892.59	705.37	584.40
Less : Share of profit/(loss) attributable to Minority Interest		(1.79)	12.88	0.25	1.18	2.42
Restated Profit attributable to the shareholders of the company		2,420.79	1,335.69	892.34	704.19	581.98

Note:

The above statement should be read with the Summary of Significant Accounting Policies and Notes to Restated Consolidated Financial Information, appearing in Annexure V; and Statement on Adjustments to Consolidated Financial Statements appearing in Annexure IV.

In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants Kartikeya Raval Partner Place: Ahmedabad Date: 25th May, 2017		For and on behalf of the Board of Directors Amit I. Bakshi Managing Director DIN: 01250925 Sachin Shah Chief Financial Officer Place: Ahmedabad Date: 25th May, 2017		Himanshu J. Shah Whole Time Director DIN: 01301025 Milind Talegaonkar Company Secretary Membership No- A26493

ANNEXURE-III

SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH FLOW

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A. Cash flow from operating activities					
Profit before tax	2,637.72	1,544.44	1,094.15	983.25	831.39
Adjustments for :					
Depreciation and amortisation expense	237.39	203.56	155.14	47.68	34.85
Preliminary expenditure written off	-	-	0.26	0.27	0.32
(Profit)/Loss on fixed assets sold / written off	1.86	0.56	(0.13)	0.66	5.62
Finance costs	2.42	1.20	0.18	2.46	7.12
Interest Income	(7.68)	(4.18)	(0.84)	(1.70)	(2.76)
Impairment of goodwill on consolidation	-	27.41	-	-	0.96
Debts written off	-	-	-	-	34.58
Profit on disposal of undertaking	(13.92)	-	-	-	-
Diminution in value of Investment	3.97	-	-	-	-
Dividend income	(0.35)	(0.30)	-	(0.18)	(9.52)
Net gain on sale of investments	(168.31)	(29.07)	(33.15)	(42.32)	(2.07)
Operating profit before working capital changes	2,693.10	1,743.62	1,215.61	990.12	900.49
Changes in working capital:					
Adjustments for (increase) / decrease in operating assets:					
Trade receivables	(138.36)	(17.03)	(13.26)	(57.44)	(21.50)
Inventories	(37.25)	99.83	(127.94)	(16.13)	(206.27)
Loans & advances and other assets	(79.84)	(64.50)	65.83	4.28	(102.87)
Adjustments for increase / (decrease) in operating liabilities:					
Trade payable, liabilities and provisions	91.80	(100.35)	(5.26)	276.55	170.14
Cash generated from operations	2,529.45	1,661.57	1,134.98	1,197.38	739.99
Net income tax paid	(530.80)	(346.78)	(234.41)	(301.14)	(359.84)
Net cash flow from operating activities (A)	1,998.65	1,314.79	900.57	896.24	380.15
B. Cash flow from investing activities					
Purchase of Fixed assets	(497.47)	(236.41)	(130.84)	(519.33)	(78.43)
Purchase of non-current Investments	(773.79)	-	-	-	-
Purchase of Non Current investments	-	(25.95)	(465.00)	(170.00)	-
Sale of Non Current investments	-	-	-	0.05	-
Purchase of Current Investment (Net)	(621.05)	(180.23)	(327.36)	(162.32)	(328.41)
Proceeds from disposal of undertaking	35.00	-	-	-	-
Bank balances not considered as cash and cash equivalents-Deposits					
Matured / (Placed)	7.70	(1.05)	(0.55)	21.89	36.56
Interest Income	7.80	3.91	0.84	1.70	2.75
Proceeds from sale of fixed assets	0.36	0.30	1.58	0.40	1.32
Dividend income	0.35	0.30	-	0.18	9.52
Net cash used in investing activities (B)	(1,841.10)	(439.13)	(921.33)	(827.43)	(356.69)
C. Cash flow from financing activities					
Repayment of long-term borrowings	(5.52)	(5.00)	(5.25)	(20.58)	(24.07)
Repayment of Short-term borrowings	(59.57)	-	-	-	-
Proceeds from long-term borrowings	-	-	10.00	-	-
Finance costs	(2.42)	(1.20)	(0.18)	(2.46)	(7.12)
Interim dividend paid/ Dividend distribution tax	(169.12)	(830.78)	-	-	-
Net cash flow from / (used in) financing activities (C)	(236.63)	(836.98)	4.57	(23.04)	(31.19)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(79.08)	38.68	(16.19)	45.77	(7.73)
Cash and cash equivalents at the beginning of the year	88.67	49.99	66.18	20.41	28.14
Cash and cash equivalents acquired pursuant to acquisition	15.63	-	-	-	-
Cash and cash equivalents disposed pursuant to disposal	(1.80)	-	-	-	-
Cash and cash equivalents at end of the year (Refer note-18 (a))	23.42	88.67	49.99	66.18	20.41

Notes:

(i) The Cash Flow Statement has been prepared as per the "Indirect Method" as set out in Accounting Standard 3- Cash Flow Statements.

(ii) Cash and Cash Equivalents:

Cash on hand	0.80	16.84	9.22	5.78	5.56
Balance with banks					
In Current Account	22.62	71.83	40.77	60.40	14.85

Cash and Cash Equivalents as per Cash flow statement {Refer note- 18(a) }	23.42	88.67	49.99	66.18	20.41

(iii) The above statement should be read with the Summary of Significant Accounting Policies and Notes to Restated Consolidated Financial Information, appearing in Annexure V; and Statement on Adjustments to Consolidated Financial Statements appearing in Annexure IV.

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

For and on behalf of the Board of Directors

Kartikeya Raval
Partner

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time
Director
DIN: 01301025

Place: Ahmedabad
Date: 25th May, 2017

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No-
A26493

Place: Ahmedabad
Date: 25th May, 2017

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

Annexure IV

STATEMENT ON ADJUSTMENTS TO CONSOLIDATED FINANCIAL STATEMENTS

MATERIAL RESTATEMENT ADJUSTEMENTS:

The summary of results of restatements made in the audited consolidated financial statements for the respective years and its impact on the profit of the group is as under:

(₹ in Million)					
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
(A) Net Profit as per audited consolidated financial statements	2,412.11	1,112.16	890.32	713.68	612.30
(B) Adjustments for	7.48	331.87	(22.32)	(57.48)	(91.88)
1. Add/(less): Provision for anticipated sales return (Refer Note 1A)	-	332.59	(1.55)	(78.26)	(88.08)
2. Add/(less): Prior Period Expense (Refer Note 1B)	7.48	62.68	(55.58)	(7.81)	(3.80)
3. Add/(less): Prior Period Income (Refer Note 1C)	-	(63.40)	34.81	28.59	-
(C) Tax impact :	(2.59)	(105.53)	18.49	44.07	29.78
1. on above adjustments as per B (Refer Note 1D)	(2.59)	(92.21)	23.25	25.99	29.78
2. on Depreciation (Refer Note 1E)	-	(13.32)	(4.76)	18.08	-
(D) Short/(excess) provision of income taxes of earlier years (Refer Note 1F)	3.79	(2.81)	5.85	3.92	31.78
Total Adjustments	8.68	223.53	2.02	(9.49)	(30.32)
Restated profit for the years (A+B+C+D)	2,420.79	1,335.69	892.34	704.19	581.98

Note:

The above statement should be read with the notes to summary statement of restated consolidated assets and liabilities, summary statement of restated consolidated profit and loss and summary statement of restated consolidated cash flows as appearing in Annexure I, II and III respectively.

Notes on Material Adjustments

1. Details of Adjustments pertaining to prior years

A. Provision for anticipated sales return:

During the year ended 31st March 2016, the Holding Company has recognised a cumulative provision for anticipated sales returns which includes provision for returns of the goods that were sold in earlier years. For the purpose of this statement, the Holding Company has recognised this provision in the respective years in which the goods were sold.

B. Prior period expense:

During the year ended 31st March 2017 and 31st March 2016, certain item of expenses have been identified as prior period items. For the purpose this statement, such prior period items have been appropriately adjusted in the respective years to which such expenses relate.

C. Prior period income:

During the year ended 31st March 2016, certain item of incomes have been identified as prior period items. For the purpose this statement, such prior period items have been appropriately adjusted in the respective years to which such incomes relate.

D. Tax impact :

Tax has been computed on adjustments on (B) as detailed above and has been adjusted in the Summary statement of Restated Consolidated profit and loss for the year ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014, 31st March 2013 and the balance brought forward in the Summary statement of Restated Consolidated profit and loss as at 1st April 2012.

E. Tax impact on Depreciation:

Effect of Tax on timing differences due to depreciation of Guwahati plant which reversed during the tax holiday period to the extent of company's total income is subject to the deduction during the tax holiday period as per requirement of section 80IE of Income tax Act, 1961.

F. Short/excess provision of income taxes of earlier years:

The Statement of Profit and Loss for certain years include amounts paid/ provided for or refunded/ written back, in respect of shortfall/ excess current tax arising upon filing of tax returns, assessments etc. which have now been adjusted in the respective years to which they relate.

G. Amortisation of brand:

The company has amortized brand acquired during the year over period of 5 years in the interim financial statement for the period ended September 30, 2016. Subsequent to period ended September 30, 2016, based on technical evaluation useful life of brand is evaluated to be 50 years. For the financial year ended March 31, 2017, in accordance with Accounting standard 26 "Intangible Assets", presumptive useful life of 10 year has been used for amortization.

2. Material Regroupings:

Appropriate adjustments have been made in the Restated Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited consolidated financial statements of the Company as at and for the year ended 31st March 2017, prepared in accordance with Schedule III of the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

Accordingly, the Company has presented the Restated Summary Financial Information as at and for the year ended 31st March 2017, 31st March 2016, 31st March 2015, 31st March 2014 and 31st March 2013 following the requirements of Schedule III of the Act.

3. Opening reserve reconciliation

Particulars	(₹ in Million)
A. Net surplus in statement of profit and loss as at 1 st April 2012 as per audited financial statements	633.40
Adjustments:	
B. Provision for anticipated sales return	(164.70)
C. Prior Period Expense	(2.98)
D. Tax impact on above adjustment	54.30
E. Short/excess provision of earlier years	(42.53)
Net surplus in the summary statement of restated consolidated Profit and Loss as at 1 st April 2012	477.49

ANNEXURE-V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATION**Corporate Information:**

Eris Lifesciences Limited ("the Company") was incorporated on January 25, 2007. The Company is engaged in the manufacture and trading business of pharmaceutical products. The company has a manufacturing plant located in Guwahati, Assam.

The company has filed DRHP in the month of February 2017 and is in the process of filing of RHP.

Note 1: Significant accounting policies**1.1. Basis of accounting and preparation of consolidated financial statements:**

The consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention and the accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

1.2. Principles of Consolidation:

- a. The Consolidated Financial Statements are prepared in accordance with principles and procedures required for preparation and presentation of Consolidated Financial Statements as laid down under Accounting Standard 21 "Consolidated Financial Statements". The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- b. The financial statement of the subsidiary companies and partnership firm used in the consolidation have been drawn upto the same reporting date as that of the company. The Financial Statements of the company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits or losses unless cost can't be recovered.
- c. As per the terms of partnership deed, the company has differential interest in the assets and liabilities in the partnership firm. Adjustment to the interest arising due to change in assets and liabilities are adjusted to goodwill and minority interest of the Group.
- d. The excess / shortfall of cost to the Parent Company of its investment over its share of equity in the consolidated entities at the respective dates on which the investment in such entities was made is recognized in the consolidated financial statements as goodwill / capital reserve. Goodwill is tested for impairment at the end of each accounting year.
- e. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiaries were made and further movement in their share in the equity, subsequent to the dates of investments. Net profit / loss for the period of subsidiaries attributable to the minority interest is identified and adjusted against the profit after tax of the group in order to arrive at the income attributable to shareholders of the Company.
- f. Following subsidiaries (incorporated in India) have been considered in the preparation of the consolidated financial statements:

Sr. No	Name of Entity	% of ownership held by the Company as at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
a	Sozin Flora Pharma - Partnership firm (in profit ratio) (Upto August 31, 2016)	N.A.	99.00%	99.00%	99.00%	99.00%
b	Eris Therapeutics Private Limited	100.00%	100.00%	100.00%	100.00%	100.00%
c	Aprica Healthcare Pvt. Ltd. (from July 12, 2016)	100.00%	N.A.	N.A.	N.A.	N.A.
d	Kinedex Healthcare Pvt. Ltd. (from November 23, 2016)	75.48%	N.A.	N.A.	N.A.	N.A.

1.3. Use of estimates:

The preparation of the consolidated financial statements in conformity with Indian GAAP 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 consolidated 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.

1.4. Revenue recognition:

- a. Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods have been transferred to the customer. Sales are shown net of discounts and sales returns. Excise duty collected on sales is shown by way of deduction from sales.
- b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the period of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, historical trends, past experience and projected market conditions.
- c. Other income:
 - ii) 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.

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1.5. Fixed assets:

Fixed assets are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition of fixed assets till assets are put to use, are capitalized. Subsequent expenditure on fixed assets 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.

1.6. Depreciation and amortization:

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on additions/ disposals of the fixed assets during the period is provided on pro-rata basis according to the period during which assets were put to use.

Depreciation on fixed Assets (other than 'Land' where no depreciation is provided), was provided on the "Written Down Value Method" (WDV) based on rates provided in Schedule XIV to the Companies Act, 1956 upto 31st March 2014.

With effect from 1st April, 2014, depreciation on fixed Assets (other than 'Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on the useful lives as prescribed under Schedule II to the Companies Act, 2013 except in respect of some equipments, 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 sozin flora pharma depreciation on fixed assets is provided as per rates specified in section 32 of Income Tax Act 1961, based on the useful life assessed by the management taking into account the nature of asset, estimated usage of asset, operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Trade Marks , brand and other similar rights are amortized over their estimated economic life of ten years. Non-compete fees are amortized over their estimated economic life of five years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

1.7. Impairment of assets:

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized to the extent the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

1.8. Inventories:

- a. Inventories are valued at the lower of cost and net realizable value. Cost of Raw materials, Packing materials and Stores, Spares and Consumables includes all charges in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.
- b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost (net of CENVAT and input tax credit availed), labor and relevant appropriate overheads.
- c. Stock-in-trade is valued at the lower of cost and net realizable value.

1.9. Investments:

Investments are either classified as current or non-current based on the Management's intention on the balance sheet date. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties, if any.

1.10. Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.11. Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing, and investing activities of the company are segregated based on the available information.

1.12. Borrowing cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

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1.13. Earnings Per Share:

Basic earnings per share is computed by dividing the profit attributable to the shareholders of company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share as the company does not have any dilutive potential equity shares outstanding. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.14. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

(a) Long Term:

(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 plan: 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 period 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 recognized in the Statement of Profit and Loss in the period in which they occur.

(C) Provision for compensated absences is made on the basis of actuarial valuation as at the Balance Sheet date in holding company.

(b) Short term:

Short term employee benefits are recognized as an expense in the statement of Profit and Loss at the undiscounted amount of the employee benefits paid or expected to be paid during the period. These benefits includes compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

1.15 Taxes on Income:

Current Tax is the aggregation of the tax charge appearing in the group companies as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax in future. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognized on timing difference between estimated taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent year(s) and is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.16 Provisions, Contingent Liabilities and Contingent Assets:

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 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 are neither recognised nor disclosed in the consolidated financial statements.

1.17 Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.18 Foreign currency transactions and translation:

Transactions in foreign currencies entered into 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.

NOTE 2: SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHARE CAPITAL

(a) Authorised, Issued, Subscribed and Paid-up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised:					
Equity Shares (Numbers) (Refer note II)	30,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Face Value (Refer note II)	1	10	10	10	10
Amount	300.00	100.00	100.00	100.00	100.00
Total	300.00	100.00	100.00	100.00	100.00
Issued, Subscribed and Fully Paid-up :					
Equity Shares (Numbers) (Refer note II)	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Face Value (Refer note II)	1	10	10	10	10
Amount	137.50	1.38	1.38	1.38	1.38
Total	137.50	1.38	1.38	1.38	1.38

(b) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Shares outstanding at the beginning of the year(Numbers)	1,37,500	1,37,500	1,37,500	1,37,500	1,37,500
Amount (₹ in million)	1.38	1.38	1.38	1.38	1.38
Issued during the year :					
Share Split from ₹10 to ₹1 per share (Refer Note II) (Numbers)	12,37,500	-	-	-	-
Amount (₹ in million)	-	-	-	-	-
Bonus shares issued during the year(99 fully paid-up equity shares for every 1 share held) (Refer Note II) (Numbers)	13,61,25,000	-	-	-	-
Amount (₹ in million)	136.12	-	-	-	-
Shares outstanding at the end of the year(Numbers)	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Amount (₹ in million)	137.50	1.38	1.38	1.38	1.38

(c) Details of shares held by each shareholder holding more than 5% shares:

Name of the shareholder	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
1. Amit Indubhushan Bakshi	5,49,59,000	54,959	51,521	51,521	51,521
% of Shareholding	39.97	39.97	37.47	37.47	37.47
2. Himanshu Jayantibhai Shah	69,72,000	6,972	6,972	6,972	6,972
% of Shareholding	5.07	5.07	5.07	5.07	5.07
3. Inderjeet Singh Negi	69,71,000	6,971	6,971	6,971	6,971
% of Shareholding	5.07	5.07	5.07	5.07	5.07
4. Rajendrakumar Rambhai Patel	69,71,000	6,971	6,971	6,971	6,971
% of Shareholding	5.07	5.07	5.07	5.07	5.07
5. Bhikhalal Chimanlal Shah	1,24,29,000	12,429	15,867	15,867	15,867
% of Shareholding	9.04	9.04	11.54	11.54	11.54
6. Rakeshbhai Bhikhabhai Shah	1,58,54,000	15,854	15,854	15,854	15,854
% of Shareholding	11.53	11.53	11.53	11.53	11.53
7. Botticelli	2,23,44,000	22,344	22,344	22,344	22,344
% of Shareholding	16.25	16.25	16.25	16.25	16.25

Notes:

I. Terms / Rights attached to the equity shares:

The Holding 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.

II. Sub-division, bonus issue and increase in authorised share capital:

In the EGM held on September 05, 2016;

(i) the authorised share capital of the company has been increased to ₹ 300 million,

(ii) Every Fully paid-up equity share of ₹ 10 each of the company has been sub-divided into 10 fully paid equity shares of ₹ 1 each

(c) 136,125,000 equity shares of ₹ 1 each have been resolved to be issued as fully paid-up bonus shares (99 bonus shares for every 1 fully paid-up equity share held).

The above events has been approved by the Board of directors in their meeting held on August 11, 2016 which has further been approved by the shareholders in their extraordinary general meeting held on September 05, 2016.

The allotment of bonus shares was approved and concluded by the Board in their meeting held on September 06, 2016.

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NOTE 3: SUMMARY STATEMENT OF RESTATED CONSOLIDATED RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
General reserve (A)	7.00	7.00	7.00	7.00	7.00
Surplus in the Restated Summary Statement of Profit and Loss (B)					
Opening balance	2,984.06	2,648.28	1,756.66	1,052.47	477.49
Less: Utilised for issue of bonus shares	(136.12)	-	-	-	-
Less: Depreciation charged to reserve (Net of deferred tax ₹ 0.06 million) (Refer note below)	-	-	(0.72)	-	-
Add: Restated Profit for the year	2,420.79	1,335.69	892.34	704.19	581.98
Less: Transfer to general reserve	-	-	-	-	(7.00)
Less: Interim dividend (₹ 6,042 per share)	-	(830.78)	-	-	-
Less: Tax on interim dividend	-	(169.13)	-	-	-
Less: Adjustment relating to Minority Interest	(13.99)				
Closing balance	5,254.74	2,984.06	2,648.28	1,756.66	1,052.47
Total (A+B)	5,261.74	2,991.06	2,655.28	1,763.66	1,059.47

Effective from 1st April, 2014, the Holding Company has charged depreciation based on the remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule II of the Act, an amount of ₹ 0.78 million, net of deferred tax - ₹ 0.72 million was adjusted against the opening balance as on April 1, 2014 of retained earnings in respect of assets wherein the remaining useful life of the assets is Nil.

NOTE 4: SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Term loan					
Secured term loan from bank (Refer note below)	6.48	5.00	10.00	5.25	25.83
Less: Current maturities of long-term debt (Refer note-8)	(1.54)	(5.00)	(5.00)	(5.25)	(20.20)
Total	4.94	-	5.00	-	5.63

Principal terms and conditions of secured loans as at March 31, 2017.

₹ 6.48 millions is secured against vehicles, repayable in the range of 18 to 52 balance monthly installments and the current interest rates are 9.10% to 10.70% p.a. (Previous Year ₹ 5 millions obtained for expansion at Guwahati, is secured by pledge of Debt Mutual Fund units with the bank. The balance outstanding was repayable in 4 equal quarterly installments and the current interest rate was 11.55% p.a.)

NOTE 5: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER LONG-TERM LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade deposits	25.29	17.37	7.74	7.74	15.39
Deferred Lease rent payment	10.78	7.48	5.63	2.99	0.81
Total	36.07	24.85	13.37	10.73	16.20

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NOTE 6: SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits					
Compensated absences	39.63	50.86	55.42	6.93	3.39
Gratuity (Refer note 28.3)	6.42	-	-	-	-
Provision for sales returns	165.48	180.12	144.45	163.28	148.94
Total	211.53	230.98	199.87	170.21	152.33

NOTE 7: SUMMARY STATEMENT OF RESTATED CONSOLIDATED TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payables					
Other than acceptances					
Due to micro and small enterprises (Refer note 28.8)	-	-	-	-	-
Due to others	385.17	245.67	367.11	373.83	220.17
Total	385.17	245.67	367.11	373.83	220.17

NOTE 8: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Current maturities of long-term debt (Refer note-4)	1.54	5.00	5.00	5.25	20.20
Book overdraft	71.11	32.03	23.56	74.11	42.00
Other payables:					
Dividend distribution tax payable	-	169.13	-	-	-
Statutory liabilities	58.61	54.68	40.21	41.27	24.45
Advances from customers	3.51	3.42	5.92	3.62	2.86
Payable on purchase of fixed assets	0.39	1.97	2.72	23.41	0.51
Total	135.16	266.23	77.41	147.66	90.02

NOTE 9: SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHORT-TERM PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits					
Compensated absences	21.99	20.32	8.37	4.00	1.86
Gratuity (Refer note-28.3)	17.95	6.55	9.71	8.10	8.91
Provision for income tax (net of advance tax)	22.85	5.14	7.96	15.11	10.75
Provision for sales returns	175.07	149.40	188.15	167.76	103.85
Total	237.86	181.41	214.19	194.97	125.37

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NOTE 10: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at April 1, 2012	Additions	Deductions	Balance as at March 31, 2013	Balance as at April 1, 2012	Additions	Adjustments	Deductions	Balance as at March 31, 2013	Balance as at March 31, 2013	Balance as at March 31, 2012
(a) Tangible Assets											
Freehold Land	21.06	-	-	21.06	-	-	-	-	-	21.06	21.06
Building	59.70	-	-	59.70	12.34	3.65	-	-	15.99	43.71	47.36
Plant and machinery	76.45	4.73	-	81.18	31.28	7.87	-	-	39.15	42.03	45.17
Vehicles	78.52	33.28	9.55	102.25	24.13	14.12	-	4.59	33.66	68.59	54.39
Furniture and fixtures	11.20	22.52	-	33.72	2.98	2.79	-	-	5.77	27.95	8.22
Equipment	29.74	17.99	2.70	45.03	14.83	5.50	-	0.72	19.61	25.42	14.91
Electrical Installation	10.27	-	-	10.27	3.15	0.71	-	-	3.86	6.41	7.12
Total	286.94	78.52	12.25	353.21	88.71	34.64	-	5.31	118.04	235.17	198.23
(b) Intangible Assets											
Trademarks	0.58	0.39	-	0.97	0.09	0.13	-	-	0.22	0.75	0.49
Computer Software - Acquired	0.50	-	-	0.50	0.35	0.08	-	-	0.43	0.07	0.15
Total	1.08	0.39	-	1.47	0.44	0.21	-	-	0.65	0.82	0.64
Grand Total	288.02	78.91	12.25	354.68	89.15	34.85	-	5.31	118.69	235.99	198.87

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 10: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block			Balance as at March 31, 2014	Accumulated Depreciation				Balance as at March 31, 2014	Net Block	
	Balance as at April 1, 2013	Additions	Deductions		Balance as at April 1, 2013	Additions	Adjustments	Deductions		Balance as at March 31, 2014	Balance as at March 31, 2013
(a) Tangible Assets											
Freehold Land	21.06	22.98	-	44.04	-	-	-	-	-	44.04	21.06
Building	59.70	200.63	-	260.33	15.99	3.71	-	-	19.70	240.63	43.71
Plant and machinery	81.18	249.04	-	330.22	39.15	7.46	-	-	46.61	283.61	42.03
Vehicles	102.25	12.81	0.85	114.21	33.66	18.43	-	0.47	51.62	62.59	68.59
Furniture and fixtures	33.72	12.50	1.09	45.13	5.77	5.20	-	0.64	10.33	34.80	27.95
Equipment	45.03	25.01	0.45	69.59	19.61	11.13	-	0.22	30.52	39.07	25.42
Electrical Installation	10.27	-	-	10.27	3.86	0.64	-	-	4.50	5.77	6.41
Total	353.21	522.97	2.39	873.79	118.04	46.57	-	1.33	163.28	710.51	235.17
(b) Intangible Assets											
Trademarks	0.97	0.57	-	1.54	0.22	0.20	-	-	0.42	1.12	0.75
Computer Software - Acquired	0.50	6.30	-	6.80	0.43	0.91	-	-	1.34	5.46	0.07
Total	1.47	6.87	-	8.34	0.65	1.11	-	-	1.76	6.58	0.82
Grand Total	354.68	529.84	2.39	882.13	118.69	47.68	-	1.33	165.04	717.09	235.99

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 10: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(₹ in Million)

Fixed Assets	Gross Block			Balance as at March 31, 2015	Accumulated Depreciation				Balance as at March 31, 2015	Net Block	
	Balance as at April 1, 2014	Additions	Deductions		Balance as at April 1, 2014	Additions	Adjustments	Deductions		Balance as at March 31, 2015	Balance as at March 31, 2015
(a) Tangible Assets											
Freehold Land	44.04	-	-	44.04	-	-	-	-	-	44.04	44.04
Building	260.33	10.02	-	270.35	19.70	22.76	-	-	42.46	227.89	240.63
Plant and machinery	330.22	22.13	-	352.35	46.61	53.44	-	-	100.05	252.30	283.61
Vehicles	114.21	49.84	2.55	161.50	51.62	32.82	-	1.10	83.34	78.16	62.59
Furniture and fixtures	45.13	4.50	-	49.63	10.33	10.06	-	-	20.39	29.24	34.80
Equipment	69.59	27.72	-	97.31	30.52	31.75	0.78	-	63.05	34.26	39.07
Electrical installation	10.27	4.89	-	15.16	4.50	1.56	-	-	6.06	9.10	5.77
Total	873.79	119.10	2.55	990.34	163.28	152.39	0.78	1.10	315.35	674.99	710.51
(b) Intangible Assets											
Trademarks	1.54	0.22	-	1.76	0.42	0.32	-	-	0.74	1.02	1.12
Computer Software - Acquired	6.80	2.85	-	9.65	1.34	2.43	-	-	3.77	5.88	5.46
Total	8.34	3.07	-	11.41	1.76	2.75	-	-	4.51	6.90	6.58
Grand Total	882.13	122.17	2.55	1,001.75	165.04	155.14	0.78	1.10	319.86	681.89	717.09

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 10: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(₹ in Million)

Particulars	Gross block				Accumulated depreciation				Net block		
	As at April 1, 2015	Additions	Deductions	Balance as at March 31, 2016	Balance as at April 1, 2015	Additions	Adjustments	Deductions	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
(a) Tangible assets											
Freehold Land	44.04	-	-	44.04	-	-	-	-	-	44.04	44.04
Building	270.35	-	-	270.35	42.46	20.88	-	-	63.34	207.01	227.89
Plant and machinery	352.35	6.10	0.02	358.43	100.05	45.62	-	-	145.67	212.76	252.30
Vehicles	161.50	3.78	4.78	160.50	83.34	25.37	-	3.94	104.77	55.73	78.16
Furniture and fixtures	49.63	2.56	-	52.19	20.39	8.24	-	-	28.63	23.56	29.24
Equipment	97.31	220.58	-	317.89	63.05	98.82	-	-	161.87	156.02	34.26
Electrical installation	15.16	0.02	-	15.18	6.06	1.54	-	-	7.60	7.58	9.10
Total	990.34	233.04	4.80	1,218.58	315.35	200.47	-	3.94	511.88	706.70	674.99
(b) Intangible assets											
Trademarks	1.76	0.24	-	2.00	0.74	0.29	-	-	1.03	0.97	1.02
Computer Software - Acquired	9.65	2.91	-	12.56	3.77	2.80	-	-	6.57	5.99	5.88
Total	11.41	3.15	-	14.56	4.51	3.09	-	-	7.60	6.96	6.90
Grand total	1,001.75	236.19	4.80	1,233.14	319.86	203.56	-	3.94	519.48	713.66	681.89

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 10: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FIXED ASSETS

(₹ in Million)

Fixed Assets			Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2016	Additions	Acquisition During the Year	Deductions	Balance as at March 31, 2017	Balance as at April 1, 2016	Additions	Acquisition During the Year	Deductions	Balance as at March 31, 2017	Balance as at March 31, 2017	Balance as at March 31, 2016
(a) Tangible Assets												
Freehold Land	44.04	-		13.01	31.03	-	-	-	-	-	31.03	44.04
Building	270.35	-	0.52	37.05	233.82	63.34	17.97	0.27	20.88	60.70	173.12	207.01
Plant and Machinery	358.43	6.71	-	85.81	279.33	145.67	35.69	-	58.62	122.74	156.59	212.76
Vehicles	160.50	1.75	13.06	8.26	167.05	104.77	18.04	4.81	5.55	122.07	44.98	55.73
Furnitures and Fixtures	52.19	0.51	0.65	0.69	52.66	28.63	6.27	0.48	0.33	35.05	17.61	23.56
Equipment	317.89	98.95	12.88	25.65	404.07	161.87	128.71	10.06	24.01	276.63	127.44	156.02
Electrical Installation	15.18	0.19		10.25	5.12	7.60	0.96	-	5.79	2.77	2.35	7.58
Total	1,218.58	108.11	27.11	180.72	1,173.08	511.88	207.64	15.62	115.18	619.96	553.12	706.70
(b) Intangible Assets												
Trademarks	2.00	0.19	-	-	2.19	1.03	0.14	-	-	1.17	1.02	0.97
Computer Software - Acquired	12.56	7.26	-	0.51	19.31	6.57	2.02	-	0.50	8.09	11.22	5.99
Brand	-	328.70	-	-	328.70	-	21.16	-	-	21.16	307.54	-
Non-compete fees	-	50.00	-	-	50.00	-	6.44	-	-	6.44	43.56	-
Total	14.56	386.15	-	0.51	400.20	7.60	29.76	-	0.50	36.86	363.34	6.96
(c) Work In Progress												
Leasehold Improvement	-	0.74	-	-	0.74	-	-	-	-	-	0.74	-
Total	-	0.74	-	-	0.74	-	-	-	-	-	0.74	-
Grand Total	1,233.14	495.00	27.11	181.23	1,574.02	519.48	237.40	15.62	115.68	656.82	917.20	713.66

NOTE 11: SUMMARY STATEMENT OF RESTATED CONSOLIDATED NON CURRENT INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade investments (unquoted) (valued at cost) (Refer note 28.4)					
Investment in equity instruments	25.95	25.95	-	-	-
Non-trade investment (valued at cost) (Refer note 28.4)					
Investment in equity instruments (quoted)	15.00	15.00	15.00	-	-
Investment in National Saving Certificate	0.02	0.02	0.02	0.02	0.07
Investment in Mutual Fund (unquoted)	60.00	585.00	957.75	170.00	-
	100.97	625.97	972.77	170.02	0.07
Aggregate value of quoted investments	15.00	15.00	15.00	-	-
Aggregate Market value of quoted investments	12.90	11.58	13.00	-	-
Aggregate value of unquoted investments	85.97	610.97	957.77	170.02	0.07

NOTE 12: SUMMARY STATEMENT OF RESTATED CONSOLIDATED DEFERRED TAX ASSETS (NET)

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at
Deferred tax assets					
On difference between book balance and tax balance of fixed assets	28.47	26.91	8.90	0.69	0.55
Disallowances under Section 43B of the Income Tax Act, 1961	23.31	24.86	22.24	3.89	1.79
Carry Forward Losses	39.65	-	-	-	-
Others	3.72	5.65	1.95	1.01	0.28
Deferred tax liability					
Others	-	-	-	(3.45)	-
Net deferred tax Assets / (Liabilities)	95.15	57.42	33.09	2.14	2.62

NOTE 13: SUMMARY STATEMENT OF RESTATED CONSOLIDATED LONG-TERM LOANS AND ADVANCES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at
Unsecured, considered good					
Security deposits	45.77	43.20	41.56	43.26	34.70
Advance income tax (net of provision)	106.75	110.18	122.81	119.21	92.08
Minimum Alternate Tax credit entitlement	452.11	132.30	-	-	-
Alternate Minimum Tax credit entitlement	-	30.38	37.38	46.17	45.20
Advances recoverable in cash or kind or for value to be received	30.64	38.07	13.04	21.16	11.00
Total	635.27	354.13	214.79	229.80	182.98

NOTE 14: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER NON CURRENT ASSETS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at
Receivable on sale of Investment in subsidiary	24.00	-	-	-	-
Total	24.00	-	-	-	-

NOTE 15: SUMMARY STATEMENT OF RESTATED CONSOLIDATED CURRENT INVESTMENT

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at
Non-trade investment (unquoted) (valued at lower of cost and fair value) (Refer note 28.5)					
Investment in mutual funds	2,581.63	1,271.25	692.40	669.64	465.00
Investment in tax free bonds	3.20	3.20	-	-	-
Total	2,584.83	1,274.45	692.40	669.64	465.00

NOTE 16: SUMMARY STATEMENT OF RESTATED CONSOLIDATED INVENTORIES

(At lower of cost and net realisable value)

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Raw Material and Packing Material *	114.83	62.31	84.93	63.96	6.26
Work-in-progress	12.95	43.28	73.97	55.03	32.66
Finished goods	255.77	205.92	224.71	0.30	-
Stock-in-trade **	174.03	162.55	190.63	327.78	391.63
Stores, spares & consumables	0.62	2.16	1.81	1.04	1.43
Total	558.20	476.22	576.05	448.11	431.98
* Goods in transit included in Raw material and Packing material	3.33	9.72	11.79	28.00	1.23
** Goods in transit included in Stock in Trade	5.54	0.25	-	-	31.14

NOTE 17: SUMMARY STATEMENT OF RESTATED CONSOLIDATED TRADE RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good					
Outstanding for a period exceeding six months from the date they were due for payment	3.10	2.20	1.98	1.66	2.02
Others	485.49	251.49	234.68	221.74	163.94
Total	488.59	253.69	236.66	223.40	165.96

NOTE 18: SUMMARY STATEMENT OF RESTATED CONSOLIDATED CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Cash and cash equivalents					
Cash on hand	0.80	16.84	9.22	5.78	5.56
Balances with banks in current accounts	22.62	71.83	40.77	60.40	14.85
(b) Other bank balances					
In fixed deposit accounts having original maturity of more than 3 months	0.79	8.27	7.22	6.67	28.56
Total	24.21	96.94	57.21	72.85	48.97

NOTE 19: SUMMARY STATEMENT OF RESTATED CONSOLIDATED SHORT-TERM LOANS AND ADVANCES

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good					
Security deposits	5.19	0.23	5.42	44.89	22.12
Loans and advances to employees	10.93	15.44	8.50	9.15	9.33
Prepaid expenses	11.16	9.81	8.38	8.97	8.03
Advance income tax (net of provision)	0.51	15.10	-	-	-
Balances with government authorities					
Cenvat credit receivable	13.56	9.61	11.32	21.35	0.86
Others	23.41	1.42	0.93	0.91	-
Advance recoverable in cash or kind or for value to be received	44.42	66.31	34.81	55.51	111.30
Total	109.18	117.92	69.36	140.78	151.64

NOTE 20: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER CURRENT ASSETS

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Insurance claim receivable	0.07	2.92	3.10	-	-
Interest accrued	0.15	0.27	-	-	-
Receivable on sale of Investment in subsidiary	6.00	-	-	-	-
IPO Expense Recoverable (Refer Note 28.12)	73.54	-	-	-	-
Total	79.76	3.19	3.10	-	-

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NOTE 21: SUMMARY STATEMENT OF RESTATED CONSOLIDATED REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Sale of products (21.1), (21.2)	7,298.32	6,023.25	5,472.42	5,084.54	3,929.75
Less: Excise duty	(245.38)	(177.59)	(89.30)	-	-
Sale of Products (net) (A)	7,052.94	5,845.66	5,383.12	5,084.54	3,929.75
Excise duty refund	191.85	119.15	64.29	-	-
Others	4.78	5.40	8.17	3.68	0.89
Other operating income (B)	196.63	124.55	72.46	3.68	0.89
Total (A+B)	7,249.57	5,970.21	5,455.58	5,088.22	3,930.64

(21.1) Details of Products sold

Tablets and Capsules	6,810.12	5,641.77	5,152.36	4,832.93	3,787.25
Other	488.20	381.48	320.06	251.61	142.50
Total	7,298.32	6,023.25	5,472.42	5,084.54	3,929.75

(21.2) Details of Products sold

Sale of manufactured products	4,327.81	3,105.62	1,538.76	-	-
Sale of traded products	2,970.51	2,917.63	3,933.66	5,084.54	3,929.75
Total	7,298.32	6,023.25	5,472.42	5,084.54	3,929.75

NOTE 22: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Interest income (Recurring)	7.68	4.18	0.84	1.70	2.76
Dividend income from non current Investment (Recurring)	0.35	0.30	-	0.18	9.52
Net gain on current investments sold (Recurring)	168.31	29.07	33.15	42.32	2.17
Profit on disposal of the investment in subsidiary (Non Recurring)	13.92	-	-	-	-
Profit on fixed assets sold (Non Recurring)	-	-	0.17	-	-
Miscellaneous income (Recurring)	0.86	0.17	0.78	-	0.04
Total	191.12	33.72	34.94	44.20	14.49

NOTE 23: SUMMARY STATEMENT OF RESTATED CONSOLIDATED COST OF MATERIAL CONSUMED

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Raw materials and packing materials					
Opening stock	62.31	84.93	63.96	6.26	4.88
Add: Purchases during the year	557.10	559.68	463.04	334.31	434.93
Less: Closing stock	(114.83)	(62.31)	(84.93)	(63.96)	(6.26)
Total	504.58	582.30	442.07	276.61	433.55

NOTE 24: SUMMARY STATEMENT OF RESTATED CONSOLIDATED CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Opening stock					
Stock-in-trade	162.55	190.63	327.78	391.63	178.86
Finished goods	205.92	224.71	0.30	-	-
Work-in-progress	43.28	73.97	55.03	32.66	31.63
	411.75	489.31	383.11	424.29	210.49
Less: Closing stock					
Stock-in-trade	174.03	162.55	190.63	327.78	391.63
Finished goods	255.77	205.92	224.71	0.30	-
Work-in-progress	12.95	43.28	73.97	55.03	32.66
	442.75	411.75	489.31	383.11	424.29
Net (Increase) / decrease in stocks	(31.00)	77.56	(106.20)	41.18	(213.80)

NOTE 25: SUMMARY STATEMENT OF RESTATED CONSOLIDATED EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Salaries, wages and bonus	1,227.48	1,151.93	1,122.27	847.66	629.07
Contribution to provident and other funds	57.45	58.88	104.73	33.82	28.19
Staff welfare expenses	34.78	35.86	29.30	23.95	15.79
Total	1,319.71	1,246.67	1,256.30	905.43	673.05

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NOTE 26: SUMMARY STATEMENT OF RESTATED CONSOLIDATED OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Power and fuel	30.16	35.88	48.91	13.16	11.45
Consumption of stores and spares (Indigenous)	24.96	28.95	19.48	16.36	13.05
Labour and security	18.91	15.77	13.01	3.77	3.85
Testing charges	6.59	10.92	10.37	6.08	2.71
Excise duties	44.29	7.85	55.03	-	-
Rent (Refer Note 28.6)	46.13	56.90	38.75	27.65	20.95
Freight and forwarding	75.03	64.88	62.81	41.12	30.91
Commission	146.87	117.60	104.62	109.87	86.79
Advertising, publicity and awareness	378.27	444.47	336.78	730.61	276.80
Repairs and maintenance					
Buildings	17.87	15.27	16.73	2.62	0.07
Machinery	0.54	1.42	1.33	1.82	1.67
Other	18.99	6.33	6.89	6.10	24.97
Selling and distribution	243.05	200.59	204.82	252.79	239.72
Travelling and conveyance	733.57	616.27	720.06	652.16	583.01
Communication	21.59	22.44	23.02	14.23	37.71
Legal and professional	331.16	300.91	333.08	299.50	268.00
Rates and taxes	33.01	38.37	33.17	20.09	9.72
Insurance	7.50	7.28	5.30	3.81	2.96
Payments to statutory auditor-for audit (Excluding service tax for current year)	2.50	1.38	0.93	0.93	0.56
Payments to cost auditor-for audit	0.08	0.09	-	-	-
Loss on fixed assets sold/written off	1.86	0.56	0.04	0.66	5.62
Debts written off	-	-	-	-	34.58
Preliminary expenses	-	-	0.26	0.27	0.32
Donations	0.12	0.60	1.07	0.37	0.19
Bank charges	0.70	1.57	0.04	0.29	0.55
Corporate Social Responsibility Expenditure	1.10				
Diminution in value of Investment	-	-	-	-	0.10
Impairment of goodwill on consolidation	-	27.41	-	-	0.96
Diminution in value of investment	3.97	-	-	-	-
Miscellaneous	11.56	7.36	5.99	2.06	4.22
Total	2,200.38	2,031.07	2,042.49	2,206.32	1,661.44

NOTE 27: SUMMARY STATEMENT OF RESTATED CONSOLIDATED FINANCE COST

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Interest expense on borrowings	2.42	1.20	0.18	2.46	7.12
Total	2.42	1.20	0.18	2.46	7.12

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NOTE 28: OTHER NOTES

Note 28.1 RELATED PARTY DISCLOSURES

List of Related Parties and description of their relationship is as follows:

Sr. No	Name of the entity	Relationship
1	Mr. Amit Bakshi, Managing Director	Key Managerial Personnel
2	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund	Enterprise controlled by the Company

Transactions with related parties are as follows:

(₹ in Million)

Sr. No	Particulars	Relationship	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1	Eris Lifesciences Private Limited Employees Group Gratuity Trust Fund	Enterprise controlled by the Company					
	Contribution to gratuity fund		17.67	5.58	8.99	7.44	8.32

2	Mr. Amit Bakshi	Key Managerial Personnel					
	Salary and commission		19.73	25.39	54.90	49.93	24.91

Balances with related parties:

There are no outstanding balances with related parties at the end of aforesaid year.

Note 28.2 SEGMENT REPORTING

The primary and secondary reportable segments considered are business segments and geographical segments respectively. The group operates in a solitary business segment i.e. pharmaceuticals. Accordingly, no further disclosures for business segments has been given. Since the group has its operations in India only, disclosures relating to geographical segments have also not been presented separately.

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Note 28.3 EMPLOYEE BENEFITS:

A) Defined contribution plans:

The group makes Provident Fund contributions, which are defined contribution plans, for qualifying employees. Under the schemes, the group is required to contribute a specified percentage of payroll costs to fund the benefits. The group recognised following amounts as an expense included in Note-26 'Contribution to Provident Fund and Other funds' in the statement of Profit and Loss. The contributions payable to these plans by the group are at rates specified in the rules of schemes.

The group makes contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The group recognised following amounts in note 26 'contribution to Provident Fund and Other Funds' in the statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of scheme.

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provident Fund Contribution	43.90	42.45	34.48	20.33	16.61
Contribution to ESIC	4.48	2.21	1.57	0.37	0.29

B) Defined benefit plans:

The group makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 4.5 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 AS-15 and the amounts recognized in the Group's restated financial statements:

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Change in present value of obligations :					
Obligations at beginning of the year	46.30	38.89	26.73	18.67	9.17
Obligations due to acquisition beginning of the year	6.33	-	-	-	-
Service Cost	11.57	9.99	9.81	7.83	4.62
Interest Cost	3.16	2.62	1.92	1.49	0.73
Actuarial (gain)/loss	5.99	2.33	6.30	(0.65)	4.15
Benefits paid	(6.85)	(7.53)	(5.87)	(0.61)	-
Obligations at the end of the year	66.50	46.30	38.89	26.73	18.67
Change in fair value of plan assets :					
Fair value of plan assets at the beginning of the year	39.75	29.18	18.63	9.76	8.89
Expenses deducted from the fund	(1.20)	(1.02)	-	-	-
Expected returns on plan assets	2.99	2.00	2.18	1.26	0.81
Actuarial (loss)/gain	(0.32)	0.67	-	-	-
Employer Contributions	6.41	9.82	14.12	8.22	0.06
Benefits paid	(5.50)	(7.45)	(5.75)	(0.61)	-
Adjustment to the fund	-	6.55	-	-	-
Fair Value of plan assets at the end of the year	42.13	39.75	29.18	18.63	9.76
Return of plan assets :					
Expected returns on plan assets	2.99	2.00	2.18	1.26	0.81
Actuarial (loss)/gain	(0.32)	0.67	-	-	-
Actual return on plan assets	2.67	2.67	2.18	1.26	0.81
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	66.50	46.30	38.89	26.73	18.67
Less : Fair value of plan assets	42.13	39.75	29.18	18.63	9.76
Funded status [Surplus/(deficit)]	(24.37)	(6.55)	(9.71)	(8.10)	(8.91)
Net liability recognised in the Balance Sheet	(24.37)	(6.55)	(9.71)	(8.10)	(8.91)
Gratuity Cost for the year					
Service Cost	11.57	9.99	9.81	7.83	4.62
Interest Cost	3.16	2.62	1.92	1.49	0.73
Expected returns on plan assets	(2.99)	(2.00)	(2.18)	(1.26)	(0.81)
Actuarial (gain)/loss	6.31	1.66	6.30	(0.65)	4.15
Expenses deducted from the fund	1.20	1.02	-	-	-
Adjustment to the fund	-	(6.55)	-	-	-
Net Gratuity cost charged to Statement of Profit and Loss	19.25	6.74	15.85	7.41	8.69
Assumptions:					
Discount rate *	6.75%	7.45%	8.00%	8.00%	8.00%
Estimated rate of return on plan assets **	6.75%	7.45%	8.00%	8.00%	9.15%
Annual increase in salary costs #	7.00%	7.00%	7.00%	7.00%	7.00%

* 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.

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Experience Adjustment					
Defined benefit obligation	66.50	46.30	38.89	26.73	18.67
Plan assets	42.13	39.75	29.18	18.63	9.76
Surplus/(deficit)	(24.37)	(6.55)	(9.71)	(8.10)	(8.91)
Experience adjustments on plan liabilities [(Gains) / Losses]	5.99	2.33	6.30	(0.65)	4.15
Experience adjustments on plan assets [Gains / (Losses)]	(0.32)	0.67	-	-	-

Investment details of plan assets:

The plan assets are managed by Insurance Company viz Life Insurance Corporation of India who has invested the funds substantially as under:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	%	%	%	%	%
Policy of insurance	86%	84%	100%	100%	100%
Deposits with banks in saving account	14%	16%	-	-	-

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 28.4 NON CURRENT INVESTMENTS

(₹ in Million)

Particulars	Face value (per unit / share)	As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
		Units/Shares (Numbers)	₹ in Million	Units/Shares (Numbers)	₹ in Million	Units/Shares (Numbers)	₹ in Million	Units/Shares (Numbers)	₹ in Million	Units/Shares (Numbers)	₹ in Million
A. Trade investments in equity instruments (unquoted) (valued at cost)											
Investment in equity instruments of S3V Vascular Technologies Private Limited, fully paid equity shares of ₹10 each	10	3,81,588	25.95	3,81,588	25.95	-	-	-	-	-	-
B. Non-trade investment (valued at cost)											
Investment in equity instruments of HCL Technologies, fully paid equity shares (quoted)	2	14,745	15.00	14,745	15.00	14,745	15.00	-	-	-	-
Investment in National Saving Certificate	-	-	0.02	-	0.02	-	0.02	-	0.02	-	0.07
Investment in Mutual Fund (unquoted)											
Reliance Fixed Horizon Fund XXV S17	10	-	-	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	-	-
BSL FTP-Series JX-Growth	10	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	60,00,000	60.00	-	-
ICICI Prudential FMP Series 74	10	-	-	1,65,00,000	165.00	1,65,00,000	165.00	-	-	-	-
BSL FTP Series LU	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
Reliance FMP-XXVII-Series 3 (1109 days)	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
Reliance FMP-XXVII-Series 4 (1105 days)	10	-	-	1,00,00,000	100.00	1,00,00,000	100.00	-	-	-	-
LIC Nomura MF FMP Series 64	10	-	-	-	-	50,00,000	50.00	50,00,000	50.00	-	-
Kotak FMP Series 105	10	-	-	-	-	1,25,00,000	125.00	-	-	-	-
HDFC FMP 370D July 2013	10	-	-	-	-	82,74,980	82.75	-	-	-	-
Birla Sun Life Fixed Term Plan-Series IC	10	-	-	-	-	65,00,000	65.00	-	-	-	-
Sundaram Fixed Term Plan-DY	10	-	-	-	-	50,00,000	50.00	-	-	-	-
			100.97		625.97		972.77		170.02		0.07
Aggregate value of quoted investments			15.00		15.00		15.00		-		-
Aggregate Market value of quoted investments			12.90		11.58		13.00		-		-
Aggregate value of unquoted investments			85.97		610.97		957.77		170.02		0.07

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

NOTE 28.5 Current investments

(₹ in Million)

		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
Particulars	Face value (per unit / bond)	Units/Bonds (Numbers)	₹ in Million	Units/Bonds (Numbers)	₹ in Million	Units/Bonds (Numbers)	₹ in Million	Units/Bonds (Numbers)	₹ in Million	Units/Bonds (Numbers)	₹ in Million
Non-trade investment (unquoted) (valued at lower of cost and fair value)											
Investment in mutual funds											
IDFC Dynamic Bond Fund	10	-	-	-	-	-	-	1,12,18,561.86	150.00	1,12,18,561.86	150.00
Birla Sun life Fixed Term Plan Series FN-G	10	-	-	-	-	-	-	-	-	20,00,000.00	20.00
HDFC FMP 370D May 2012 (1) Series XXI	10	-	-	-	-	-	-	-	-	10,00,000.00	10.00
HDFC FMP 371D July-2012(2)-G-Series 22	10	-	-	-	-	-	-	-	-	30,00,000.00	30.00
HDFC FMP 371D June-2012(1)-G-Series 22	10	-	-	-	-	-	-	-	-	20,00,000.00	20.00
ICICI Pru. FMP Series 64-367 Days Plan B	10	-	-	-	-	-	-	-	-	20,00,000.00	20.00
SBI Debt Fund Series 366D-10	10	-	-	-	-	-	-	-	-	50,00,000.00	50.00
SBI Debt Fund Series 366D-15	10	-	-	-	-	-	-	-	-	75,00,000.00	75.00
SBI Debt Fund Series 366D-2	10	-	-	-	-	-	-	-	-	40,00,000.00	40.00
SBI Debt Fund Series 366D-6	10	-	-	-	-	-	-	-	-	20,00,000.00	20.00
Sundaram MF FMP Plan CT 367 Days	10	-	-	-	-	-	-	-	-	20,00,000.00	20.00
TATA FMP Series 40 Scheme-H	10	-	-	-	-	-	-	-	-	10,00,000.00	10.00
DWS Treasury Fund - Bonus	100	-	-	-	-	-	-	4,07,523.91	4.06	-	-
LIC Nomura MF FMP Series 64	10	-	-	57,62,500.00	59.19	-	-	-	-	-	-
Kotak FMP Series 105	10	-	-	1,27,08,000.00	127.53	-	-	1,25,00,000.00	125.00	-	-
HDFC FMP 370D July 2013	10	-	-	93,66,640.00	96.05	-	-	82,74,980.00	82.75	-	-
Birla Sun Life Fixed Term Plan-Series IC	10	-	-	65,00,000.00	65.00	-	-	65,00,000.00	65.00	-	-
Sundaram Fixed Term Plan-DY	10	-	-	50,00,000.00	50.00	-	-	50,00,000.00	50.00	-	-
Reliance FMP Series 10	10	-	-	17,00,000.00	20.75	-	-	-	-	-	-
Reliance FMP Series 11	10	-	-	7,62,500.00	9.33	-	-	-	-	-	-
Sundaram Money Fund	10	12,89,414.09	11.63	12,89,414.09	15.60	12,89,414.00	15.60	7,53,540.96	15.60	-	-
Sundaram Select Debt Short Term Plan	10	9,58,167.66	10.00	9,58,167.66	10.00	9,58,168.00	10.00	9,58,167.66	10.00	-	-
J.M. Arbitrage Advantage Fund	10	-	-	22,84,222.46	22.80	22,84,222.00	22.80	-	-	-	-
HDFC Corporate Debt Opportunity Fund	10	1,81,93,889.86	200.00	1,81,93,889.86	200.00	1,81,93,889.86	200.00	-	-	-	-
Franklin India Corporate Bond Opportunities Fund	10	3,39,88,576.95	530.00	1,64,51,486.00	230.00	1,64,51,486.00	230.00	-	-	-	-
BSL Short Term Opportunities Fund	10	23,52,596.74	45.00	23,52,596.74	45.00	23,52,596.74	45.00	23,52,596.74	45.00	-	-
Kotak Medium Term Fund	10	2,78,96,191.30	320.00	2,78,96,191.30	320.00	-	-	-	-	-	-
BSL Floating Rate STP	10	-	-	-	-	9,09,477.00	169.00	7,23,072.75	122.23	-	-
Reliance Fixed Horizon Fund XXV S17	10	60,00,000.00	60.00	-	-	-	-	-	-	-	-
ICICI Prudential FMP Series	10	1,65,00,000.00	165.00	-	-	-	-	-	-	-	-
BSL FTP Series LU	10	1,00,00,000.00	100.00	-	-	-	-	-	-	-	-
Reliance FMP-XXVII-Series 3 (1109 days)	10	1,00,00,000.00	100.00	-	-	-	-	-	-	-	-
Reliance FMP-XXVII-Series 4 (1105 days)	10	1,00,00,000.00	100.00	-	-	-	-	-	-	-	-
Franklin India Income Opportunity Fund	10	4,08,91,891.01	800.00	-	-	-	-	-	-	-	-
ICICI Prudential Liquid Fund	100	1,45,442.40	35.00	-	-	-	-	-	-	-	-
Kotak Mahindra Liquid Fund	1,000	10,617.19	35.00	-	-	-	-	-	-	-	-
SBI Premier Liquid Fund	1,000	13,716.83	35.00	-	-	-	-	-	-	-	-
Axis Liquid Fund	1,000	19,415.00	35.00	-	-	-	-	-	-	-	-
										-	-
Investment in Tax Free Bonds											
REC Tax Free Bonds	1,000	1,000.00	1.07	1,000.00	1.07	-	-	-	-	-	-
IRFC Tax Free Bonds	1,000	1,000.00	1.08	1,000.00	1.08	-	-	-	-	-	-
HUDCO Tax Free Bonds	1,000	1,000.00	1.05	1,000.00	1.05	-	-	-	-	-	-
			2,584.83		1,274.45		692.40		669.64		465.00
Aggregate value of unquoted investments			2,584.83		1,274.45		692.40		669.64		465.00

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)
Note 28.6 Operating Leases:

The Company has entered into operating leases for office premises & warehouses. Lease payments are recognised in the restated statement of Profit and Loss under Rent (Note:26 - Other expenses).

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Lease payments recognised in the statement of profit & loss as 'Rent' under Other expenses.	46.13	56.90	38.75	27.65	20.95

The total future minimum lease payments under non-cancellable leases are as below:

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
- Not later than one year	25.22	24.95	19.01	18.20	14.50
- Later than one year and not later than 5 years	108.23	90.31	84.63	80.21	76.55
- Later than five years	47.97	21.89	45.97	69.41	91.26

Note 28.7 Contingent Liability (Also refer note 28.12):

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Demands by Income Tax disputed by Company	-	5.86	8.98	5.86	0.53
Notices relating to DPCO Matters (refer note below)	129.03	-	-	-	-

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

Note 28.8 Micro Small & Medium Enterprises:

Based on the information available with the Group, there are no enterprises covered under the definition of Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). This has been relied upon by the Auditors.

Note 28.9 CSR expenditure:

(₹ in Million)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
(a) Gross amount required to be spent by the company during the year	21.35	19.94	17.37	N.A.	N.A.
(b) Gross amount spent by the company during the year	1.10	-	-	-	-

Note 28.10 CIF Value of Imports:

(₹ in Million)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
Acquisition of fixed assets	3.24	9.05	-	-	-
Other	0.36	-	-	-	-

Note 28.11: Employee stock option plan:

The Holding Company has introduced 'Eris Lifesciences Employee Stock Option Plan 2017' ("ESOP 2017"/ "Plan") through the resolution passed by the Board of Directors on 2nd February, 2017 and the same was approved by the shareholders at the extra ordinary general meeting held on 3rd February, 2017. 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. 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. 12th April, 2017. The exercise period would be a maximum of 5 years from the date of vesting of options.

Note 28.12: Initial Public Offer Expenses Recoverable:

IPO expenses recoverable comprises share issue expenses incurred in connection with proposed Initial Public offer (IPO) only by way of offer for sale by existing shareholders of the Holding Company. These receivables includes fees paid to bankers, stock exchanges, SEBI, lawyers, auditors, etc., in connection with the IPO of the Holding Company. As per offer agreement between the Holding Company and the selling shareholders, upon successful completion of the Offer, all expenses with respect to the IPO will be borne by the selling shareholders in proportion to their respective Offered Shares sold pursuant to the Offer. Accordingly, the Holding Company has classified the expenses incurred in connection with the IPO as receivable from selling shareholders under Other Current Assets as IPO expenses recoverable.

Note 28.13: Details of Subsequent events:

Subsequent to the year ended March 31, 2017, the Holding Company has acquired two trademarks for a consideration of ₹100 Million.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

Note 28.14 Earnings per share

(₹ in million)

Sr. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
1	Profit after minority interest as restated (₹. in million)	2,420.79	1,335.69	892.34	704.19	581.98
2	Weighted average number of equity shares outstanding*	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
3	Basic and diluted earnings per share (in ₹)	17.61	9.71	6.49	5.12	4.23
4	Face value per equity share (in ₹)	1.00	1.00	1.00	1.00	1.00

*Number of shares considered are after giving effect of share split and issue of bonus shares.

For and on behalf of the Board of Directors

Amit I. Bakshi
Managing Director
DIN: 01250925

Himanshu J. Shah
Whole Time Director
DIN: 01301025

Sachin Shah
Chief Financial Officer

Milind Talegaonkar
Company Secretary
Membership No.A26493

Place: Ahmedabad
Date: 25th May, 2017

ANNEXURE: VI

RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

Particulars		Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
A.	Net Profit after tax as restated - attributable to equity shareholders - (₹ In million)	2,420.79	1,335.69	892.34	704.19	581.98
B.	Net Worth - (₹ In million)	5,399.24	2,992.44	2,656.66	1,765.04	1,060.85
C.	Total number of shares outstanding at the end of the year - (in numbers)(without giving effect of share split and issue of bonus share)	1,37,500	1,37,500	1,37,500	1,37,500	1,37,500
D.	Share Split from ₹10 to ₹1 per share (Refer Note 5)	12,37,500	12,37,500	12,37,500	12,37,500	12,37,500
E.	Total number of Bonus shares issued (Refer Note 5)	13,61,25,000	13,61,25,000	13,61,25,000	13,61,25,000	13,61,25,000
F.	Weighted average number of equity shares outstanding during the year - (in numbers) - (C+D+E)	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
G.	Total number of shares outstanding at the end of the year - (in numbers)(after giving effect of share split and issue of bonus share) - (C+D+E)	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000	13,75,00,000
H.	Basic Earnings per share (In ₹) (A/F)	17.61	9.71	6.49	5.12	4.23
I.	Return on Net Worth (In %) (A/B)	44.84%	44.64%	33.59%	39.90%	54.86%
J.	Net asset value per equity share (In ₹)(without giving effect of share split and issue of bonus shares) (B/C)	39,267.20	21,763.20	19,321.16	12,836.65	7,715.27
K.	Net asset value per equity share (In ₹)(after giving effect of share split and issue of bonus shares) (B/G)	39.27	21.76	19.32	12.84	7.72

Notes :

- Diluted Earnings Per Share (EPS) is the same as the Basic EPS.
- Net Profit after tax denotes Net Profit after tax, as restated, as disclosed in the Annexure II.
- The ratios have been computed as below:
 - Earnings per Share (₹)**

$$\frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares (including Split and Bonus Shares) outstanding during the year}}$$
 - Return on net worth (%)**

$$\frac{\text{Net profit / (loss) after tax}}{\text{Net worth excluding revaluation reserve at the end of the year}}$$
 - Net asset value per equity share (₹)**

$$\frac{\text{Net worth excluding revaluation reserve and preference share capital at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$
- Net profit, as appearing in the Restated Summary Statement of profit and loss, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Consolidated restated financial statements of the Company.
- Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share". Every fully paid-up equity share of ₹ 10 each of the company has been sub-divided into 10 fully paid-up equity shares of ₹ 1 each and the Company has issued bonus shares (136,125,000 equity shares) in the ratio of 99:1 (99 bonus shares for every 1 equity share held) and as approved by Board of Directors pursuant to a resolution passed at their meeting held on August 11, 2016 and resolution passed by Shareholders at the Extraordinary General Meeting held on September 05, 2016 by utilising balance in surplus in the statement of profit and loss. These equity shares have been allotted on September 06, 2016. As per the requirements of AS 20 Earnings Per Share, the weighted average number of equity shares considered for calculation of Earnings per Share includes the bonus shares issued and share split and the Earnings per Share for all comparative years has been presented giving the effect of this issue of bonus shares and share split.

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE: VII

STATEMENT OF CAPITALISATION

(₹ in Million)

Particulars	Pre-issue as at March 31, 2017 (Refer Note-1 below)	Increase due to the Issue	Post- Issue Amount after considering the Issue (Refer Note -2 below)
	A	B	C (A+B)
Short-term borrowings	-	-	-
Long-term borrowings	4.94	-	4.94
Current maturities of long-term borrowings	1.54	-	1.54
Total borrowings –(a)	6.48	-	6.48
Shareholder's funds			
Share Capital	137.50	-	137.50
Reserves and surplus	5,261.74	-	5,261.74
Total Shareholders' fund – (b)	5,399.24	-	5,399.24
Total borrowings / Shareholders' Funds – (a)/(b)	0.12%	-	0.12%

Notes:

- 1) Amounts as per restated financial statements of the Company as at and for the year ended March 31, 2017
- 2) The issue of equity share is through offer for sale and hence the amount under post-Issue column is same as appearing under Pre-Issue Column

ERIS LIFESCIENCES LIMITED (Formerly known as Eris Lifesciences Private Limited)

ANNEXURE: VIII

RESTATED SUMMARY STATEMENT OF DIVIDEND PAID / PROPOSED BY THE COMPANY

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Class of Shares					
Equity Shares					
Equity Shares - Numbers	13,75,00,000	1,37,500	1,37,500	1,37,500	1,37,500
Face Value (₹)	1.00	10.00	10.00	10.00	10.00
Amount (₹ in Million)	137.50	1.38	1.38	1.38	1.38
Final Dividend					
Rate of Dividend (%)	-	60420%	-	-	-
Dividend per Share (₹)	-	6042	-	-	-
Amount of Dividend (₹ in Million)	-	830.78	-	-	-
Corporate Dividend Tax (₹ in Million)	-	169.13	-	-	-

STATEMENT OF RECONCILIATION BETWEEN IND (AS) AND INDIAN GAAP

The following tables set forth:

1. Statement of reconciliation of standalone net profit after tax under Ind AS and net profit after tax under Indian GAAP for the year ended March 31, 2017;
2. Statement of reconciliation of standalone equity under Ind AS and Indian GAAP as on March 31, 2017;
3. Statement of reconciliation of consolidated net profit after tax under Ind AS and net profit after tax under Indian GAAP for the year ended March 31, 2017; and
4. Statement of reconciliation of consolidated equity under Ind AS and Indian GAAP as on March 31, 2017.

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Statement of reconciliation of standalone net profit after tax under Ind AS and net profit after tax under Indian GAAP for the year ended March 31, 2017

(₹ in million)

Sr. No.	Particulars	Note	Year ended March 31, 2017
	Net profit under Previous Indian GAAP		2,417.01
1	Gain/(loss) on fair valuation of investment	Note 1	41.03
2	Accounting of provisions at present value (Sales Return Provision)	Note 2	1.77
3	Prior Period Items	Note 3	7.48
4	Unwinding of rent deposits	Note 4	0.55
5	Discounting of Receivable on sale of Investment in Subsidiary	Note 5	(5.83)
6	Actuarial Loss on Defined Liability recognised in OCI	Note 6	7.51
7	Change in useful life of Intangible Asset	Note 7	16.93
8	Deferred Tax (Difference between Book base and Tax base)	Note 8	0.19
9	Tax on other adjustment as per (1 to 7)	Note 9	(24.03)
	Net profit (before OCI) under Ind AS		2,462.61
	Other Comprehensive Income (net of tax)		(4.91)
	Total Comprehensive Income as per Ind AS (net of tax)		2,457.70

Note 1: Under previous GAAP, Long term investment were measured at cost less diminution in value which is other than temporary. Under Ind AS 109, Investment in equity instruments of companies other than subsidiaries, joint ventures & associates are measured at fair value through profit or loss.

Note 2: Under previous GAAP, discounting of provisions was not permitted and provisions were measured at best estimate of the expenditure required to settle the obligation at the balance sheet date without considering the effect of discounting. Under Ind AS, provisions are measured at discounted amount, if the effect of time value of money is material.

Note 3: Under previous GAAP, prior period items were shown separately whereas under IND (AS), prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Note 4: Under Ind AS, security deposit given against operating lease are measured at fair value through amortized cost using effective interest method. Accordingly, differential amount has been treated as finance cost and the same has been recognized as an income over the lease period in subsequent period.

Note 5: Under Ind AS, effect of time value of money is given on receivable on sale of investment. Under Indian GAAP effect of time value of money is not required to be given.

Note 6: Under previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of net defined benefit liability / asset which is recognized in other comprehensive income in the respective periods.

Note 7: Under previous GAAP, useful life of Intangible Asset (Brand) was considered 10 years (restricted as per AS 26), whereas under IND (AS) useful life of Intangible Asset (Brand) is considered 50 years as per management estimates and technical evaluation. The depreciation due to change in life is reversed.

Note 8: Under previous GAAP, Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss or loss for the purpose of financial reporting and for income taxes, whereas under IND (AS) Deferred taxes are computed for temporary differences between the carrying amount of asset or liability in the statement of financial position and its tax base.

Note 9: Consequent to Ind AS adoption there are deferred tax adjustment on account of differences between Previous GAAP and Ind AS.

Statement of reconciliation of standalone equity under Ind AS and Indian GAAP as on March 31, 2017

Sr. No.	Particulars	Note	(Rs. in Millions)	(Rs. in Millions)
	Total equity as per Indian GAAP			5,440.66
1	Gain/(loss) on fair valuation of investment	Note 1	342.50	
2	Accounting of provisions at present value (Sales Return Provision)	Note 2	14.16	
3	Prior Period Items	Note 3	-	
4	Unwinding of rent deposits	Note 4	(3.69)	
5	Discounting of Receivable on sale of Investment in Subsidiary	Note 5	(5.83)	
6	Actuarial Loss on Defined Liability recognised in OCI	Note 6	7.51	
7	Change in useful life of Intangible Asset	Note 7	16.93	
8	Deferred Tax (Difference between Book base and Tax base)	Note 8	2.17	
9	Impact of deferred and current taxes in respect of the above adjustments (1 to 7)	Note 9	(128.60)	
10	Other Comprehensive Income (net of tax)		(4.91)	
	Add: Total adjustment			240.25
	Total equity as per Ind AS			5,680.91

Note 1: Under previous GAAP, Long term investment were measured at cost less diminution in value which is other than temporary. Under Ind AS 109, Investment in equity instruments of companies other than subsidiaries, joint ventures & associates are measured at fair value through profit or loss.

Note 2: Under previous GAAP, discounting of provisions was not permitted and provisions were measured at best estimate of the expenditure required to settle the obligation at the balance sheet date without considering the effect of discounting. Under Ind AS, provisions are measured at discounted amount, if the effect of time value of money is material.

Note 3: Under previous GAAP, prior period items were shown separately whereas under IND (AS), prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Note 4: Under Ind AS, security deposit given against operating lease are measured at fair value through amortised cost using effective interest method. Accordingly, differential amount has been treated as finance cost and the same has been recognised as an income over the lease period in subsequent period.

Note 5: Under Ind AS, effect of time value of money is given on receivable on sale of investment. Under Indian GAAP effect of time value of money is not required to be given.

Note 6: Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods.

Note 7: Under previous GAAP, useful life of Intangible Asset (Brand) was considered 10 years (restricted as per AS 26), whereas under IND (AS) useful life of Intangible Asset(Brand) is considered 50 years as per management estimates and technical evaluation. The depreciation due to change in life is reversed.

Note 8: Under previous GAAP, Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss or loss for the purpose of financial reporting and for income taxes, whereas under IND (AS) Deferred taxes are computed for temporary differences between the carrying amount of asset or liability in the statement of financial position and its tax base.

Note 9: Consequent to Ind AS adoption there are deferred tax adjustment on account of differences between Previous GAAP and Ind AS.

Total equity as per Ind AS comprises of the following

Sr. No.	Particulars	(Rs. in Millions)
1	Equity share capital	137.50
2	General Reserve	7
3	Profit and loss account	5,541.32
4	Other Comprehensive Income	(4.91)
Total equity as per Ind AS		5,680.91

Statement of reconciliation of consolidated net profit after tax under Ind AS and net profit after tax under Indian GAAP for the year ended March 31, 2017

Sr. No.	Particulars	Note	Year ended March 31, 2017
	Net profit under Indian GAAP (Before Share of Minority)		2,410.32
1	Gain on fair valuation of investment	Note 1	41.03
2	Accounting of provisions at present value (Sales Return Provision)	Note 2	3.54
3	Prior Period Items	Note 3	7.48
4	Unwinding of rent deposits	Note 4	(0.27)
5	Discounting of Receivable on sale of Investment in Subsidiary	Note 5	(5.83)
6	Actuarial Loss on Defined Liability recognized in OCI	Note 6	7.51
7	Change in useful life of Intangible Asset	Note 7	16.93
8	Deferred Tax (Difference between Book base and Tax base)	Note 8	0.19
9	Impact of fair value on Business Combinations	Note 9	(10.42)
10	Tax on other adjustment as per (1 to 7 and 9)	Note 10	(20.76)
	Net profit (before OCI) under Ind AS		2,449.73
	Other Comprehensive Income (net of tax)		(4.91)
	Total Comprehensive Income as per Ind AS (net of tax)		2,444.82

Note 1: Under previous GAAP, Long term investment were measured at cost less diminution in value which is other than temporary. Under Ind AS 109, Investment in equity instruments of companies other than subsidiaries, joint ventures & associates are measured at fair value through profit or loss.

Note 2: Under previous GAAP, discounting of provisions was not permitted and provisions were measured at best estimate of the expenditure required to settle the obligation at the balance sheet date without considering the effect of discounting. Under Ind AS, provisions are measured at discounted amount, if the effect of time value of money is material.

Note 3: Under previous GAAP, prior period items were shown separately whereas under IND (AS), prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Note 4: Under Ind AS, security deposit given against operating lease are measured at fair value through amortized cost using effective interest method. Accordingly, differential amount has been treated as finance cost and the same has been recognized as an income over the lease period in subsequent period.

Note 5: Under Ind AS, effect of time value of money is given on receivable on sale of investment. Under Indian GAAP effect of time value of money is not required to be given.

Note 6: Under previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of net defined benefit liability / asset which is recognized in other comprehensive income in the respective periods.

Note 7: Under previous GAAP, useful life of Intangible Asset (Brand) was considered 10 years (restricted as per AS 26), whereas under IND (AS) useful life of Intangible Asset(Brand) is considered 50 years as per management estimates and technical evaluation. The depreciation due to change in life is reversed.

Note 8: Under previous GAAP, Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss or loss for the purpose of financial reporting and for income taxes, whereas under IND (AS) Deferred taxes are computed for temporary differences between the carrying amount of asset or liability in the statement of financial position and its tax base.

Note 9: Under previous GAAP, in case of acquisition the identifiable assets and liabilities of the acquiree are recorded either at fair values or at book values, whereas under IND (AS) identifiable assets and liabilities of the acquiree are recorded at fair value.

Note 10: Consequent to Ind AS adoption there are deferred tax adjustment on account of differences between Previous GAAP and Ind AS.

Statement of reconciliation of consolidated equity under Ind AS and Indian GAAP as on March 31, 2017

Sr. No.	Particulars	Note	(Rs. in Millions)	(Rs. in Millions)
	Total equity as per Indian GAAP			5,360.72
1	Gain on fair valuation of investment	Note 1	342.50	
2	Accounting of provisions at present value (Sales Return Provision)	Note 2	15.93	
3	Prior Period Items	Note 3	-	
4	Unwinding of rent deposits	Note 4	(4.51)	
5	Discounting of Receivable on sale of Investment in Subsidiary	Note 5	(5.83)	
6	Actuarial Loss on Defined Liability recognized in OCI	Note 6	7.51	
7	Change in useful life of Intangible Asset	Note 7	16.93	
8	Deferred Tax (Difference between Book base and Tax base)	Note 8	2.17	
9	Impact of fair value on Business Combinations	Note 9	(10.42)	
11	Impact of deferred and current taxes in respect of the above adjustments (1 to 7 & 9)		(125.32)	
12	Other Comprehensive Income (net of tax)		(4.91)	
	Add: Total adjustment			234.06
	Total equity as per Ind-AS			5,594.78

Note 1: Under previous GAAP, Long term investment were measured at cost less diminution in value which is other than temporary. Under Ind AS 109, Investment in equity instruments of companies other than subsidiaries, joint ventures & associates are measured at fair value through profit or loss.

Note 2: Under previous GAAP, discounting of provisions was not permitted and provisions were measured at best estimate of the expenditure required to settle the obligation at the balance sheet date without considering the effect of discounting. Under Ind AS, provisions are measured at discounted amount, if the effect of time value of money is material.

Note 3: Under previous GAAP, prior period items were shown separately whereas under IND (AS), prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

Note 4: Under Ind AS, security deposit given against operating lease are measured at fair value through amortized cost using effective interest method. Accordingly, differential amount has been treated as finance cost and the same has been recognized as an income over the lease period in subsequent period.

Note 5: Under Ind AS, effect of time value of money is given on receivable on sale of investment. Under Indian GAAP effect of time value of money is not required to be given.

Note 6: Under previous GAAP, actuarial gains and losses were recognized in the statement of profit and loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of net defined benefit liability / asset which is recognized in other comprehensive income in the respective periods.

Note 7: Under previous GAAP, useful life of Intangible Asset (Brand) was considered 10 years (restricted as per AS 26), whereas under IND (AS) useful life of Intangible Asset (Brand) is considered 50 years as per management estimates and technical evaluation. The depreciation due to change in life is reversed.

Note 8: Under previous GAAP, Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss or loss for the purpose of financial reporting and for income taxes, whereas under IND (AS) Deferred taxes are computed for temporary differences between the carrying amount of asset or liability in the statement of financial position and its tax base.

Note 9: Under previous GAAP, in case of acquisition the identifiable assets and liabilities of the acquiree are recorded either at fair values or at book values, whereas under IND (AS) identifiable assets and liabilities of the acquiree are recorded at fair value.

Note 10: Consequent to In AS adoption there are deferred tax adjustment on account of differences between Previous GAAP and Ind AS.

Total equity as per Ind AS comprises of as following

Sr. No.	Particulars	(Rs. in Millions)
1	Equity share capital	137.50
2	General Reserve	7
3	Profit and loss account	5,468.34
4	Other Comprehensive Income (net of tax)	(4.91)
5	Non Controlling Interest	(13.15)
Total equity as per Ind AS		5,594.78

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated consolidated financial statements as of and for Fiscals ended March 31, 2017, 2016, and 2015, including the related notes, schedules and annexures. These restated consolidated financial statements are based on our audited consolidated financial statements and are restated in accordance with the SEBI ICDR Regulations. Our audited consolidated financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects with IND (AS), IFRS and U.S. GAAP. Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 month period ended March 31 of that year. This discussion may contain forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" included in this Prospectus.

Our Company is required to prepare annual and interim financial statements under IND (AS) commencing from April 1, 2017. See **"Risk Factors – External Risk Factors – Our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the impact of such transition on our Company."** on page 32, of this Prospectus. Please see **"Statement of Reconciliation between IND (AS) and Indian GAAP"** and for details on the significant differences between Indian GAAP and IND (AS), see **"Summary of Significant Differences between Indian GAAP and IND (AS)"** on pages 227 and 254, respectively of this Prospectus.

Further, in this Prospectus, we have included certain sales, market share and other financial information relating to the pharmaceutical industry and our operations, products and therapeutic areas that is sourced from IMS, a healthcare information and consulting service provider. IMS computes revenues for the sales of pharmaceutical products based on their research on sales of products in certain pharmaceutical markets and in relation to specific geographic areas. The methodology for computation of revenues by IMS, including for our products, is different from the methodology we adopt for the recognition of revenue from the sales of our products under Indian GAAP, reflected in the Restated Financial Statements included in this Prospectus. Accordingly, the sales, market share and other financial data sourced to IMS may not accurately reflect our revenues, results of operations and financial results for the products or therapeutic areas covered.

Overview

We develop, manufacture and commercialize branded pharmaceutical products in select therapeutic areas within the chronic and acute categories of the IPM, such as: cardiovascular; anti-diabetics; vitamins; gastroenterology; and anti-infectives. Our focus has been on developing products in the chronic and acute category which are linked to lifestyle related disorders. The chronic category of the IPM contributed 65.6% of our revenues in Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were ranked 20th out of 377 domestic and multinational companies present in the chronic category of the IPM, in terms of revenues for Fiscal 2017 (Source: IMS TSA MAT, March 2017). We were the fastest growing company, in the chronic category, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March, 2017). We generated 34.4% of our revenues from the acute category of the IPM in Fiscal 2017. Our revenues from the acute category grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (Source: IMS TSA MAT, March 2017).

Our product portfolio comprised of 80 mother brand groups as of March 31, 2017 (Source: IMS TSA MAT, March 2017). Our product portfolio is primarily focused on therapeutic areas which require the intervention of specialists and super specialists such as cardiologists, diabetologists, endocrinologists and gastroenterologists. Sales in metro cities and class 1 towns, together accounted for 76.8% of our revenues in Fiscal 2017 (Source: IMS Town Class MAT, March 2017), as a majority of specialists and super specialists are based in these metro cities and class 1 towns (Source: IMS Town Class, March 2017). Between Fiscals 2013 and 2017, there has been an increase in the number of doctors prescribing our products from 37,842 (constituting 13.8% of doctors in metro cities and class 1 towns in India) to 50,282 (constituting 15.7% of doctors in metro cities and class 1 towns in India) with a prescription share of 1.3% for Fiscal 2017 (Source: IMS Medical Audit and Town Class MAT, March 2017).

Our products in the chronic category of the IPM cater primarily to the following therapeutic areas:

- **cardiovascular:** as of March 31, 2017, we had a portfolio of 63 brands in the cardiovascular therapeutic area, including 44 brands in the hypertension subgroup; 27 of our cardiovascular brands were ranked in the top 10 in their respective subgroup of the IPM in terms of revenues, for Fiscal 2017; we had revenues of ₹2,738.3 million and were ranked 18th in terms of revenues from the cardiovascular therapeutic area, between Fiscals 2013 and 2017 our revenues grew at a CAGR of 25.8%; and we were ranked third in terms of growth during this period, among the top 25 companies in the cardiovascular therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017);
- **anti-diabetics:** as of March 31, 2017, we have a portfolio of 26 brands in the anti-diabetics therapeutic area, of which seven brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; we had revenues of ₹2,422.5 million and were ranked 10th in terms of revenues from the anti-diabetics therapeutic area, in Fiscal 2017; between Fiscals 2013 and 2017 our revenues grew at a CAGR of 34.5%; and we were ranked third in terms of growth during this period, among the top 25 companies in the anti-diabetics therapeutic area of the IPM; (Source: IMS TSA MAT, March 2017); and
- **others:** our revenues from other therapeutic areas in the chronic category, namely neurology, chronic respiratory and chronic pain (analgesics), were ₹330.2 million for Fiscal 2017. (Source: IMS TSA MAT, March 2017).

We have grown our product portfolio in the acute category of the IPM, catering primarily to the following therapeutic areas:

- **vitamins:** we have grown to become the seventh largest company in cholecalciferol oral solids (including combinations) subgroup, in terms of revenues with a market share of 4.6% in Fiscal 2017; and we have the largest brand in Vitamin D and mecobalamin subgroup, in terms of revenues, with a market share of 27.3% in Fiscal 2017 (Source: IMS TSA MAT, March 2017); our revenues from the vitamins therapeutic area were ₹1,146.9 million for Fiscal 2017, with growth at a CAGR of 7.4%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **gastroenterology:** as of March 31, 2017, we had a portfolio of 46 brands in the gastro-intestinal therapeutic area, of which five brands were ranked in the top 10 in their respective subgroup of the IPM, in terms of revenues for Fiscal 2017; our revenues from the gastroenterology therapeutic area were ₹776.8 million for Fiscal 2017, with growth at a CAGR of 8.2%, between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **acute pain-analgesics:** our revenues from the acute pain-analgesics therapeutic area were ₹274.8 million for Fiscal 2017; (Source : IMS TSA MAT, March 2017);
- **anti-infectives:** our revenues from the anti-infectives therapeutic area were ₹219.5 million for Fiscal 2017, with a CAGR of 5.7% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017);
- **gynaecology:** we have developed our portfolio of products in the gynaecology therapeutic area with a focus on products catering to women's health; our revenues from the gynaecology therapeutic area were ₹224.7 million for Fiscal 2017, with a CAGR of 36.8% between Fiscals 2013 and 2017; (Source: IMS TSA MAT, March 2017); and
- **others:** our revenues from other therapeutic areas in the acute category, namely acute respiratory, hepatoprotectives, hormones, hematology, dermatology, anti-obesity products and products for injury healing, were ₹241.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

Effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma for an aggregate consideration of ₹328.70 million, in order to grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas. Amay Pharma's revenues, from the brands acquired by us were ₹192.8 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017). Further, on November 23, 2016, we entered into a share purchase agreement to acquire 61.48% equity shares of Kinedex from its existing shareholders, and on December 12, 2016, we entered into a share purchase and shareholders' agreement to acquire an additional 14.00% equity shares of Kinedex, taking our aggregate shareholding in Kinedex to 75.48%, for an aggregate consideration of ₹771.79 million. Kinedex primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area, within the acute pain-analgesics therapeutic area. Kinedex's revenues were ₹830.2 million for Fiscal 2017 (Source: IMS TSA MAT, March 2017).

We own and operate a manufacturing facility in Guwahati, Assam. We also outsource the manufacturing of certain of our products, and currently use approximately 20 third party manufacturers. We have developed capabilities in the commercialization of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and regulatory aspects. We have strong sales, marketing and distribution capabilities in India with seven sales divisions focused on developing and growing our engagement with specialists and super specialists. Our sales divisions are also responsible for our commercialization and marketing strategy. Our sales team comprised of 1,501 marketing representatives, as of March 31, 2017.

Our Promoters have an average experience of over a decade in the pharmaceuticals industry. In addition, we are led by a well-qualified and experienced management team, which we believe has demonstrated its ability to manage and grow our operations, and has substantial experience in pharmaceutical sales and marketing. We believe that the knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. Our Company received the ‘Competitive Strategy Leadership’ award for 2013, from Frost & Sullivan and our Promoter, Chairman and Managing Director, Mr. Amit Indubhushan Bakshi, has been recognized as the ‘Entrepreneur of the Year, 2013’ by Ernst & Young.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our business and results of operations are affected by a number of significant factors including:

Production costs and quality of our manufacturing operations

Our ability to improve our cost competitiveness is largely dependent on the efficient management of our production costs. We own and operate the Assam Facility and we utilized the manufacturing facility of Sozin, until August 31, 2016. We also outsource the manufacturing of certain of our products, and currently use approximately 20 third party manufacturers in India. Any transition in the quantity of products manufactured at our Assam Facility as compared to products manufactured through third party manufacturers, affects our cost of goods sold, including cost of raw materials procured. We do not enter into long term agreements for the purchase of our raw materials. The availability of key raw materials at competitive prices is critical to our operations and price fluctuations may affect our margins and, in turn, our results of operations. Any significant changes in excise duties and other commercial taxes levied on our manufacturing operations, raw materials, packaging materials and finished products and changes in our production costs, may affect our financial condition and results of operations. For further details see “**Risk Factors – Internal Risk Factors – Any disruption in production at, or shutdown of, our manufacturing facility could adversely affect our business, results of operations and financial condition.**” on page 18.

Further, in order to maximize our profits, we must maintain adequate capacity utilization at our manufacturing facility and an appropriate standard of quality in our manufacturing facility’s equipment and machinery. Attaining and maintaining an adequate level of capacity utilization and quality requires considerable expense and planning. Our ability to achieve, preserve and maintain the level of quality in our manufacturing processes and facility has an effect on our business, results of operations and financial condition. We are also affected by changes due to technological developments in relation to the equipment or machinery we utilize at our Assam Facility. Any technological developments which increase efficiency or reduce costs, may positively affect our results of operations. However, although we strive to keep our technology, manufacturing facility and machinery current with the latest international standards, the technologies, facility and machinery we currently employ may become obsolete. The cost of implementing new technologies, upgrading our manufacturing facility could adversely affect our business, results of operations and financial condition.

Sales revenue and quality of our products

The key growth driver for increases in our results of operations has been the growth in sales revenue from our products in India. Our product portfolio comprised of 80 mother brand groups as of March 31, 2017 (*Source: IMS TSA MAT, March 2017*). Our product portfolio is primarily focused on therapeutic areas which require the intervention of specialists and super specialists such as cardiologists, diabetologists, endocrinologists and gastroenterologists. We were the fastest growing company, in the chronic category of the IPM, among the top 25 companies in terms of revenues, with revenue growth at CAGR of 28.9%, between Fiscals 2013 and 2017; while our revenues from the acute category of the IPM grew at a CAGR of 12.0% between Fiscals 2013 and 2017 (*Source: IMS TSA MAT, March 2017*). Our revenue from operations depends on the volume of products, including tablets, capsules and sachets, that we sell. We focus on metro cities and class 1 towns in India which have higher

incidence of lifestyle disorders and concentration of specialists and super specialists, and our sales rely, in part, on prescriptions of our products by such specialists and super specialists. Any change in the volume of products we sell affects our business, results of operations and financial condition.

In addition, we are required to ensure the quality of our products for the entire duration of their shelf life, whether manufactured by us or our third party manufacturers. Returns of unsold, defective or expired products affect our results of operations and financial condition. Our agreements with third party manufacturers typically contain provisions which would indemnify us for the costs, expenses and damages in the event of a recall of a particular drug due to its failure to retain its potency during its shelf life. A failure of our third party manufacturers to meet their indemnity obligations to us may have an adverse affect on our business, financial condition and result of operations.

Our other expenses

Our revenue growth has benefitted, in part from, our brand building efforts coupled with the strength of our sales and distribution infrastructure, expanded coverage of doctors and growth in prescriptions of our products. Our other expenses primarily consist of travelling and conveyance expenses; advertising, publicity and awareness charges; and legal and professional expenses, which relate to our marketing, sales and distribution initiatives. Expressed as a percentage of our gross revenue from operations our other expenses were 29.36%, 33.04% and 36.84%, for the Fiscals 2017, 2016 and 2015, respectively.

We incur travelling and conveyance expenses primarily in relation to travel expenses for our medical representatives. We employed 1,192 marketing representatives as of March 31, 2017. Our marketing representatives interact with doctors to promote our product portfolio and also visit pharmacies and distributors to ensure that our products are adequately stocked. We also incur advertising, publicity and awareness charges for the launch of our products and sales divisions, in order to ensure that our products are well-received in the market. These include expenses towards promotional campaigns for disease awareness and conducting continuing medical education for the medical fraternity as well as consulting with doctors and other professionals.

The successful integration of our acquired brands

As part of our growth strategy, we have pursued acquisition opportunities in the past and intend to continue doing so in the future. For example, our Company entered into a tie-up agreement dated May 1, 2017, to exclusively market in India, certain formulations manufactured by Pharmanza Herbal Private Limited under license from the Council of Scientific and Industrial Research – Central Drug Research Institute. Further, in November 2016, we acquired 61.48% outstanding equity in Kinedex Healthcare Private Limited (“**Kinedex**”) from its existing shareholders, and in December 2016, we acquired an additional 14.00% of the outstanding equity in Kinedex taking our aggregate shareholding in Kinedex to 75.48%, for an aggregate consideration of ₹771.79 million. Kinedex primarily focuses on products catering to mobility related disorders in the musculoskeletal therapeutic area. Effective July 1, 2016, we acquired trademarks in relation to 40 brands, from Amay Pharma in order to grow our product portfolio in the cardiovascular and anti-diabetics therapeutic areas. Further, on July 12, 2016, we acquired 100.00% of the outstanding equity of Aprica Health. We believe these recent acquisitions, and their successful integration into our existing business, may be significant factors towards the growth of our portfolio of products. For further details see “***Our Business – Our Recent Acquisitions***” and “***Risk Factors – Internal Risk Factors – Our efforts at integrating acquired businesses may not yield timely or effective results, which may affect our financial condition and results of operations.***” on pages 112 and 18, respectively.

Industry competition and consolidation

Our products face intense competition from products commercialized by our competitors in all our therapeutic areas. The increase or decrease of our market share in therapeutic areas on which we focus, changes in our, and our competitors’, financial, manufacturing, research and development, marketing and other resources and launch of new products by us, or our competitors, may affect our business, prospects, results of operations and financial condition. Our competitors may consolidate, and the strength of the combined companies could affect our competitive position in our business areas. Accordingly, our results of operations depend significantly on various factors such as the demand for our products in the markets we operate in, our ability to manage our growth strategy and expansion plans, including our ability to grow our exports and our ability to grow and manage our sales and distribution network in India. For further details, see “***Our Business – Competition***” and “***Risk Factors – Internal Risk Factors – If we cannot respond adequately to the increased competition we expect to face, we will lose***

market share and our profits will decline, which will adversely affect our business, results of operations and financial condition” on pages 121 and 26, respectively.

Regulatory overview

Regulatory authorities impose pricing controls on pharmaceutical products that apply to our products as well. For example, India enacted the National Pharmaceuticals Pricing Policy in 2012, which lays down the principles for pricing essential drugs and subsequently the Department of Pharmaceuticals released the revised DPCO. 39 of our 249 brand extensions, which contributed to 12.03% of our revenues in Fiscal 2017, presently fall within the list of scheduled formulations whose prices are regulated by the DPCO 2013. Due to rising healthcare costs, there may be additional proposals by legislators and regulators to keep costs down in India. These limitations may affect our revenues and have an adverse effect on our business. For further details see “**Risk Factors – Internal Risk Factors – Reforms in the health care industry and the uncertainty associated with pharmaceutical pricing, reimbursement and related matters could adversely affect the pricing and demand for our products.**” on page 23.

Fiscal benefits

We benefit from certain tax regulations and incentives that accord favorable treatment to our manufacturing facility. For example, the NEIP is applicable to our Assam Facility, pursuant to which, our Company is eligible to avail of certain tax incentives including income tax and excise duty exemption for a period of 10 years (until Fiscal 2024 and 2025, respectively), in addition to certain capital investment and trade subsidies. For details regarding our tax incentives and applicable periods, see “**Statement of Tax Benefits**” on page 88. Changes in the tax incentives we enjoy may affect our tax liability and consequently our business, results of operations and financial condition. For further details see “**Risk Factors – Internal Risk Factors – Any reduction in or termination of tax incentives we enjoy may affect our results of operations and financial condition**” on page 23.

Critical Accounting Policies

Basis of preparation

Our condensed consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. The condensed consolidated financial statements have been prepared on accrual basis under the historical cost convention and the accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The condensed consolidated financial statements have been prepared solely for the purpose of inclusion in this Prospectus in connection with the proposed issue of equity shares of the company by way of offer for sale.

Basis of consolidation

Our consolidated financial statements are prepared in accordance with principles and procedures required for preparation and presentation of consolidated financial statements as laid down under Accounting Standard 21 "Consolidated Financial Statements". The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statement of our subsidiary company and erstwhile partnership firm used in the consolidation have been drawn up to the same reporting date as that of our Company. The consolidated financial statements have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances or transactions and resulting unrealized profits or losses unless cost cannot be recovered. The financial statement of the partnership firm, Sozin, used in consolidation have been drawn up to date of sale i.e. August 31, 2016.

The excess or shortfall of cost to our Company of our investment over our share of equity in the consolidated entities at the respective dates on which the investment in such entities was made is recognized in the financial statements as goodwill or capital reserve. Goodwill is tested for impairment at the end of each accounting year.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movement in their share in the equity, subsequent to the dates of investments. Net profit or loss for the year of subsidiaries attributable to the minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to the shareholders of our Company.

Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires our 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 year. Our 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 or materialize.

Revenue recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods have been transferred to the customer. Sales are shown net of discounts and sales returns. Excise duty collected on sales is shown by way of deduction from sales.

Prior to Fiscal 2016, our Company accounted for sales returns as and when the returned products were physically received at our premises. During the Fiscal 2016, our Company effected a change in the method of estimating sales returns. Consequently, in Fiscal 2016, our Company recognized a cumulative provision for anticipated sales returns which included provision for returns of the goods that were sold in previous Fiscals. For the Restated Financial Statements, our Company has recognized this provision in the respective Fiscals in which the goods were sold.

Revenue in respect of other operating income is recognized when a reasonable certainty exists with regards to its realization. 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.

For other income, revenue is recognized when no significant uncertainty as to its determination or realization exists.

Dividend income is recognized when the right to receive dividend is established.

Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.

Fixed Assets

Fixed assets are stated at cost of acquisition or construction net of recoverable taxes less accumulated depreciation or amortization and impairment loss, if any. All costs attributable to acquisition of fixed assets till assets are put to use, are capitalized. Subsequent expenditure on fixed assets after its purchase or 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.

Depreciation and Amortization

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on additions or disposals of the fixed assets during the period is provided on pro-rata basis according to the period during which assets were put to use.

Depreciation on fixed Assets (other than 'Land' where no depreciation is provided), is provided on the Written Down Value Method ("WDV") based on the useful lives as prescribed under Schedule II to the Companies Act, 2013 except in respect of some equipments, 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, among others.

In case of Sozin, depreciation on fixed assets is provided as per rates specified in Section 32 of Income Tax Act 1962, based on the useful life assessed by the management taking into account the nature of asset, estimated usage of asset, operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, among others.

Trademarks and other similar rights are amortized over their estimated economic life of ten years. Brand and non-compete fees are amortized over their estimated economic life of five years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each Fiscal and the amortization period is revised to reflect the changed pattern, of the factors considered. We had amortized brands acquired during Fiscal 2017 over a period of five years in the interim financial statement for the period ended September 30, 2016. Subsequent to period ended September 30, 2016, based on technical evaluation useful life of such brands is evaluated to be 50 years. For Fiscal 2017, in accordance with Accounting standard 26 "Intangible Assets", presumptive useful life of 10 years has been used for amortization.

Impairment of Assets

Our management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized to the extent the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges. Costs of finished goods and work-in-progress are determined on specific identification basis by taking material cost (net of CENVAT and input tax credit availed), labor and relevant appropriate overheads. Stock-in-trade is valued at the lower of cost and net realizable value.

Investments

Investments are either classified as current or non-current based on our management's intention on the balance sheet date. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing, and investing activities of the company are segregated based on the available information.

Borrowing cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Earnings per share

Basic earnings per share is computed by dividing the profit attributable to our shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is the same as basic earnings per share as the company does not have any dilutive potential equity shares. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Long Term:

- **Defined Contribution Plan:** Our contribution to provident fund, superannuation 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.
- **Defined Benefit Plan:** The gratuity scheme is administered through the Life Insurance Corporation of India. 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 period 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 recognized in the Statement of Profit and Loss in the period in which they occur.
- Provision for compensated absences is made on actuarial valuation as at the Balance Sheet date.

Short term:

- Short term employee benefits are recognized as an expense in the statement of Profit and Loss at the undiscounted amount of the employee benefits paid or expected to be paid during the period. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Taxes on income

Current tax is the aggregation of the tax charge for our Company and its Subsidiaries as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Minimum alternate tax paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that we will pay normal income tax in future. Accordingly, minimum alternate tax is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to us.

Deferred tax is recognized on timing difference between estimated taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Provisions, Contingent Liabilities and Contingent Assets

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 is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within our control; or
- 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 are not recognized in the financial statements.

Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Foreign currency transactions and translation

Transactions in foreign currencies entered into 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.

Segment Information

The primary and secondary reportable segments considered are business segments and geographical segments respectively. We operate in a single business segment i.e. pharmaceuticals. Accordingly, no further disclosures for business segments have been given in our Restated Financial Statements. Since our operations are located in India alone, there are no disclosures in our Restated Financial Statements relating to geographical segments.

Revenue and Expenses

Revenue

Our total revenue consists of net revenue from operations and other income.

Revenue from Operations. Our revenue from operations (gross) comprises revenue from sale of products, namely tablets and capsules and other products namely sachets, injectables, drops, ointments and syrups and other operating income, namely, excise duty refund and other revenue. Our revenue from operations (net) comprises our revenue from operations (gross) reduced by excise duty paid.

We further classify our revenue from operations (gross) as revenue from sale of manufactured products comprising of products manufactured at our Assam Facility; and revenue from sale of traded products comprising of products manufactured at the manufacturing facility of Sozin until August 31, 2016, and through third party manufacturers.

Other Income. Other income comprises of interest income, dividend income from non-current investment, net gain on non current investments sold, dividend income from subsidiary, net gain on current investments sold, provision written back for diminution in value of investment, profit on fixed assets sold and miscellaneous income.

Expenses

Expenses consist of cost of materials consumed, purchases of stock in trade, changes in inventories of finished goods, work in progress and stock in trade, employee benefits expense and other expenses.

Cost of materials consumed. Cost of material consumed consists of opening stock, purchases during the year and closing stock. We utilize APIs, raw materials such as excipients, and packaging materials, for manufacture of

pharmaceutical products at our manufacturing plant in Guwahati, Assam and that of our erstwhile partnership Sozin.

Changes in inventories of finished goods, work in progress and stock in trade. Changes in inventories of finished goods, work in progress and stock in trade comprise net increases or decreases in inventory levels of finished goods, work in progress and stock in trade. Our purchases of stock in trade primarily consists of purchases of finished pharmaceutical products from our third party manufacturers.

Employee benefit expenses. Employee benefit expenses primarily consist of employee salaries, wages and bonus, and to a lesser extent, contributions to provident funds and staff welfare expenses.

Other expenses. Other expenses include travelling and conveyance expenses, advertising, publicity and awareness charges, legal and professional expenses, power and fuel expenses, consumption of stores and spares, labor and security charges, testing charges, excise duties, rent, freight and forwarding expenses, commission charges, repairs and maintenance expenses for buildings, machinery and others, selling and distribution costs and bank charges, among others.

Finance costs. Our finance costs comprise interest expense on borrowings.

Depreciation and amortization expense. Tangible assets are depreciated and intangible assets are amortized over periods corresponding to their useful lives. See “– **Critical Accounting Policies – Depreciation and Amortization**” on page 239.

Tax Expense: Tax expenses comprise current tax and deferred tax. Current income tax is measured in amounts expected to be paid to the tax authorities in accordance with the applicable tax law in the relevant jurisdiction. Deferred income tax reflects the impact of timing differences between taxable income and accounting income over a given year.

Our Results of Operations

The following table sets out financial data from our restated consolidated statement of profit and loss for the Fiscals 2017, 2016 and 2015, the components of which are also expressed as a percentage of total revenue for such fiscal periods:

	Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ in millions	% of Revenue from operations (gross)	₹ in millions	% of Revenue from operations (gross)	₹ in millions	% of Revenue from operations (gross)
Revenue from operations (gross)	7,494.95	100.00%	6,147.80	100.00%	5,544.88	100.00%
Excise duty	(245.38)	(3.27)%	(177.59)	(2.89)%	(89.30)	(1.61)%
Revenue from Operations (net)	7,249.57	96.73%	5,970.21	97.11%	5,455.58	98.39%
Other income	191.12	2.55%	33.72	0.55%	34.94	0.63%
Total Revenue	7,440.69	99.28%	6,003.93	97.66%	5,490.52	99.02%
EXPENSES:						
Cost of materials consumed	504.58	6.73%	582.30	9.47%	442.07	7.97%
Purchases of stock-in-trade	569.49	7.60%	317.13	5.16%	606.39	10.94%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(31.00)	(0.41)%	77.56	1.26%	(106.20)	(1.92)%
Employee benefits expense	1,319.71	17.61%	1,246.67	20.28%	1,256.30	22.66%
Other expenses	2,200.38	29.36%	2,031.07	33.04%	2,042.49	36.84%
Finance costs	2.42	0.03%	1.20	0.02%	0.18	0.00%
Depreciation and amortization expense	237.39	3.17%	203.56	3.31%	155.14	2.80%

Restated Profit before tax	2,637.72	35.19%	1,544.44	25.12%	1,094.15	19.73%
Net tax expense	218.72	2.92%	195.87	3.19%	201.56	3.64%
Restated Profit after tax before share of profit of minority interest	2,419.00	32.28%	1,348.57	21.94%	892.59	16.10%
Restated Profit attributable to the shareholders of the company	2,420.79	32.30%	1,335.69	21.73%	892.34	16.09%

Fiscal 2017 compared to Fiscal 2016

Revenue

Revenue from Operations. Our revenue from operations (net) increased by 21.43% to ₹7,249.57 million for Fiscal 2017 from ₹5,970.21 million for Fiscal 2016. Our revenue from operations (gross) increased by 21.91% to ₹7,494.95 million for Fiscal 2017 from ₹6,147.80 million for Fiscal 2016 as a result of increase in our revenue from sale of products to ₹7,298.32 million for Fiscal 2017 from ₹6,023.25 million for Fiscal 2016, and increase in other operating income to ₹196.63 million for Fiscal 2017 from ₹124.55 million for Fiscal 2016. There was also an increase in excise duty refund received by us for Fiscal 2016, which was received by us during Fiscal 2017.

Our revenue from sale of products increased as a result of increase in our revenue from tablets and capsules sold to ₹6,810.12 million for Fiscal 2017 from ₹5,641.77 million for Fiscal 2016 and increase in revenue from other products sold (such as sachets, injectables, drops, ointments and syrups) to ₹488.20 million for Fiscal 2017 from ₹381.48 million for Fiscal 2016. The increase in our revenue from sale of products in Fiscal 2017 compared to Fiscal 2016 was primarily attributable to an increase in our sale of products for therapeutic areas in the chronic category of the IPM. Within our revenue from sale of products, our revenues from sale of manufactured products increased to ₹4,327.81 million in Fiscal 2017 from ₹3,105.62 million for Fiscal 2016, primarily as a result of increased production at our Assam Facility including due to transition of production from the Sozin facility to our Assam Facility.

Other income. Our other income increased to ₹191.12 million for Fiscal 2017 from ₹33.72 million for Fiscal 2016, primarily due to an increase in net gain on current investments sold to ₹168.31 million for Fiscal 2017 from ₹29.07 million for Fiscal 2016 due to liquid investments such as mutual funds and other money market instruments sold during Fiscal 2017.

Expenses

Cost of Goods Sold. The changes in our costs of goods sold, from Fiscal 2016 to Fiscal 2017, were primarily due to increased production at our Assam Facility including due to transition of production from the Sozin facility to our Assam Facility as well as due to the impact of our acquisition of 75.48% of the outstanding equity in Kinedex in November and December 2016 and brands from Amay Pharma effective July 1, 2016.

- *Cost of materials consumed.* Cost of materials consumed decreased by 13.35% from ₹582.30 million for Fiscal 2016 to ₹504.58 million for Fiscal 2017, primarily on account of lower purchase of raw materials due to inventories acquired during the year and higher closing stock at the end of Fiscal 2017.
- *Purchases of stock in trade.* Purchases of stock in trade increased by 79.58% to ₹569.49 million for Fiscal 2017 from ₹317.13 million for Fiscal 2016, primarily due to increase of inventories as part of the acquisition of Kinedex and brands from Amay Pharma.
- *Changes in inventories of finished goods, work in progress and stock in trade.* There was a net increase in stock of finished goods, work in progress and stock in trade of ₹31.00 million for Fiscal 2017 as compared to a net decrease in stock of finished goods, work in progress and stock in trade of ₹77.56 million for Fiscal 2016. This increase was primarily due to higher inventory of finished goods in line with increased production at our Assam Facility in Fiscal 2017.

Employee benefits expenses. Our employee benefit expenses increased by 5.86% to ₹1,319.71 million for Fiscal 2017 from ₹1,246.67 million for Fiscal 2016, primarily as a result of an increase in salaries, wages and bonus paid

by 6.56% to ₹1,227.48 million for Fiscal 2017 from ₹1,151.93 million for Fiscal 2016, due to an increase in the number of our employees to 2,645 as of March 31, 2017 from 2,382 as of March 31, 2016 primarily resulting from our acquisition of Kinedex.

Other expenses. Other expenses increased by 8.34% to ₹2,200.38 million for Fiscal 2017 from ₹2,031.07 million for Fiscal 2016, primarily due to increase in travelling and conveyance expenses incurred by us to ₹733.57 million for Fiscal 2017 from ₹616.27 million for Fiscal 2016, due to increase in our number of marketing representatives to 1,501 as of March 31, 2017 from 1,422 as at March 31, 2016 as a result of our acquisition of Kinedex and the brands acquired from Amay Pharma; increase in selling and distribution expenses to ₹243.05 million for Fiscal 2017 from ₹200.59 million for Fiscal 2016, due to increase in our number of marketing representatives; and an increase in excise duties to ₹44.29 million for Fiscal 2017 from ₹7.85 million for Fiscal 2016; which was partially offset by, a decrease in our advertising, publicity and awareness expenses from ₹444.47 million for Fiscal 2016 to ₹378.27 million for Fiscal 2017 due to a reduction of our advertising spend and impairment of goodwill on consolidation of ₹27.41 million for Fiscal 2016 as a result of our retirement from Sozin.

Finance costs. Our finance costs increased to ₹2.42 million for Fiscal 2017 from ₹1.20 million for Fiscal 2016 due to certain loans availed by our subsidiary Kinedex in Fiscal 2017 for working capital purposes for purchase of vehicles.

Depreciation and amortization expenses. Our depreciation and amortization expenses increased by 16.62% to ₹237.39 million for Fiscal 2017 from ₹203.56 million for Fiscal 2016 primarily in relation to depreciation and amortization on non-compete fees paid to, the promoters of Amay Pharma, and computer and software equipment purchased, during Fiscal 2017. Our depreciation and amortization expenses expressed as a percentage of our revenue from operations (gross) were 3.17% and 3.31% for Fiscals 2017 and 2016, respectively.

Restated Profit before tax. Our restated profit before tax increased by 70.79% to ₹2,637.72 million for Fiscal 2017 from ₹1,544.44 million for Fiscal 2016.

Tax expense. Our net tax expense was ₹218.72 million for Fiscal 2017 and ₹195.87 million for Fiscal 2016. We recorded an increase in our net current tax expense to ₹246.75 million for Fiscal 2017 from ₹220.21 million for Fiscal 2016 due to an increase in current tax expense to ₹566.56 million for Fiscal 2017 from ₹352.51 million for Fiscal 2016, which was partially offset by an increase in minimum alternate tax credit to ₹319.81 million for Fiscal 2017 from ₹132.30 million for Fiscal 2016.

Restated Profit after tax before share of profit of minority interest. Our restated profit after tax before share of profit of minority interest increased by 79.38% to ₹2,419.00 million for Fiscal 2017 from ₹1,348.57 million for Fiscal 2016.

Restated Profit attributable to the shareholders of the company. Our restated profit attributable to the shareholders of the company increased by 81.24% to ₹2,420.79 million for Fiscal 2017 from ₹1,335.69 million for Fiscal 2016 due to:

- increase in the Company's revenue from operations (net) by 21.43% to ₹7,249.57 million for Fiscal 2017 from ₹5,970.21 million for Fiscal 2016 due to an increase in revenues from tablets, capsules and other products sold (such as sachets, injectables, drops, ointments and syrups) in line with the growth of business of the Company and increase in the Company's sale of products for therapeutic areas in the chronic category of the IPM;
- decrease in cost of materials consumed by 13.35% from ₹582.30 million for Fiscal 2016 to ₹504.58 million for Fiscal 2017, primarily on account of higher closing stock at the end of Fiscal 2017 due to reduced costs of raw materials resulting from the transition of production from the facility of Sozin to our Assam Facility, effective August 1, 2016 and increased utilization of our existing stock of raw materials and work in progress; which was partly offset by
- increase in purchases of stock in trade by 79.58% to ₹569.49 million for Fiscal 2017 from ₹317.13 million for Fiscal 2016, due to the impact of our acquisition of Kinedex and purchases of stock in trade in relation to our acquisition of brands from Amay Pharma.

Fiscal 2016 compared to Fiscal 2015

Revenue

Revenue from Operations. Our revenue from operations (net) increased by 9.43% to ₹5,970.21 million for Fiscal 2016 from ₹5,455.58 million for Fiscal 2015. Our revenue from operations (gross) increased by 10.87% to ₹6,147.80 million for Fiscal 2016 from ₹5,544.88 million for Fiscal 2015 as a result of increase in our revenue from sale of products to ₹6,023.25 million for Fiscal 2016 from ₹5,472.42 million for Fiscal 2015, and increase in other operating income to ₹124.55 million for Fiscal 2016 from ₹72.46 million for Fiscal 2015 primarily as a result of increase in our excise duty refund, partially offset by an increase in excise duty to ₹177.59 million for Fiscal 2016 from ₹89.30 million for Fiscal 2015, in line with increase in production at our manufacturing facilities in Fiscal 2016.

Our revenue from sale of products increased as a result of increase in our revenue from tablets and capsules sold to ₹5,641.77 million for Fiscal 2016 from ₹5,152.36 million for Fiscal 2015 and increase in revenue from other products sold (such as sachets, injectables, drops, ointments and syrups) to ₹381.48 million for Fiscal 2016 from ₹320.06 million for Fiscal 2015. The increase in our revenue from sale of products in Fiscal 2016 compared to Fiscal 2015 was also primarily attributable to an increase in our sale of products for therapeutic areas in the chronic category of the IPM. Within our revenue from sale of products, our revenues from sale of manufactured products increased to ₹3,105.62 million in Fiscal 2016 from ₹1,538.76 million for Fiscal 2015 while our revenues from sale of traded products decreased from ₹3,933.66 million for Fiscal 2015 to ₹2,917.63 million for Fiscal 2016, as a result of increased production at our Assam Facility and a corresponding decrease in products manufactured through third party manufacturers.

Other income. Our other income decreased by 3.49% from ₹34.94 million for Fiscal 2015 to ₹33.72 million for Fiscal 2016, primarily due to a decrease in net gain on current investments sold to ₹29.07 million for Fiscal 2016 from ₹33.15 million for Fiscal 2015 due to market fluctuations, and a decrease in miscellaneous income to ₹0.17 million for Fiscal 2016 from ₹0.78 million for Fiscal 2015, partially offset by an increase in interest income to ₹4.18 million for Fiscal 2016 from ₹0.84 million for Fiscal 2015, primarily due to increase in deposits placed.

Expenses

Cost of Goods Sold. The changes in our costs of goods sold, from Fiscal 2015 to Fiscal 2016, were primarily due to increased production at our Assam Facility and a corresponding decrease in products manufactured through third party manufacturers.

- **Cost of materials consumed.** Cost of materials consumed increased by 31.72% to ₹582.30 million for Fiscal 2016 from ₹442.07 million for Fiscal 2015, primarily on account of increased payments for purchases of raw materials and packing materials including APIs and excipients during the year, in line with increase in products manufactured by us.
- **Purchases of stock in trade.** Purchases of stock in trade decreased by 47.70% from ₹606.39 million for Fiscal 2015 to ₹317.13 million for Fiscal 2016, due to reduced purchase of finished pharmaceutical products from third party manufacturers, in line with increase in products manufactured by us.
- **Changes in inventories of finished goods, work in progress and stock in trade.** There was a net decrease in stock of finished goods, work in progress and stock in trade of ₹77.56 million for Fiscal 2016 as compared to a net increase in stock of finished goods, work in progress and stock in trade of ₹106.20 million for Fiscal 2015. This decrease was primarily due to increase in tablets and capsules sold in Fiscal 2016 and decrease in stock in trade due to increase in manufacturing activity.

Employee benefits expenses. Our employee benefit expenses decreased by 0.77% from ₹1,256.30 million for Fiscal 2015 to ₹1,246.67 million for Fiscal 2016, primarily as a result of a decrease in contribution to provident and other funds by 43.78% from ₹104.73 million for Fiscal 2015 to ₹58.88 million for Fiscal 2016, due to a provision for leave encashment in Fiscal 2015 of ₹52.87 million, partially offset by an increase in salaries, wages and bonus paid by 2.64% to ₹1,151.93 million for Fiscal 2016 from ₹1,122.27 million for Fiscal 2015 and an increase in staff welfare expenses by 22.39% to ₹35.86 million for Fiscal 2016 from ₹29.30 million for Fiscal 2015, due to an increase in the number of our employees in line with the growth in our business.

Other expenses. Other expenses decreased by 0.56% from ₹2,042.49 million for Fiscal 2015 to ₹2,031.07 million for Fiscal 2016, primarily due to a decrease in travelling and conveyance expenses incurred by us from ₹720.06 million for Fiscal 2015 to ₹616.27 million for Fiscal 2016, due to a decrease in the number of our marketing representatives from 1,499 for Fiscal 2015 to 1,422 for Fiscal 2016 in line with our strategy to focus on metro

cities and class 1 towns and lower travel expenses in Fiscal 2016 compared to Fiscal 2015 when we incurred launch and post-launch expenses attributable to launch of two sales divisions in February 2014 and July 2014, respectively; a decrease in legal and professional fees from ₹333.08 million for Fiscal 2015 to ₹300.91 million for Fiscal 2016 in line with a planned decrease to increase our expenditure on advertising, publicity and awareness initiatives; a decrease in excise duties from ₹55.03 million for Fiscal 2015 to ₹7.85 million for Fiscal 2016; and a decrease in power and fuel expenses from ₹48.91 million for Fiscal 2015 to ₹35.88 million for Fiscal 2016; which was partially offset by an increase in our advertising, publicity and awareness expenses to ₹444.47 million for Fiscal 2016 from ₹336.78 million for Fiscal 2015 due to our increased marketing and advertising of our products; an impairment of goodwill on consolidation of ₹27.41 million for Fiscal 2016 as a result of our retirement from Sozin; increase in rent to ₹56.90 million in Fiscal 2016 from ₹38.75 million in Fiscal 2015; and an increase in commission expenses to ₹117.60 million for Fiscal 2016 from ₹104.62 million for Fiscal 2015.

Finance costs. Our finance costs increased to ₹1.20 million for Fiscal 2016 from ₹0.18 million for Fiscal 2015 due to loans availed in Fiscal 2016 for purchase and maintenance of machinery at our Assam Facility.

Depreciation and amortization expenses. Our depreciation and amortization expenses increased by 31.21% to ₹203.56 million for Fiscal 2016 from ₹155.14 million for Fiscal 2015 in relation to additional equipment purchased during Fiscal 2016 for our marketing and awareness initiatives. Our depreciation and amortization expenses expressed as a percentage of our revenue from operations (gross) were 3.31% and 2.80% for Fiscals 2016 and 2015, respectively.

Restated Profit before tax. Our restated profit before tax increased by 41.15% to ₹1,544.44 million for Fiscal 2016 from ₹1,094.15 million for Fiscal 2015.

Tax expense. Our net tax expense was ₹195.87 million for Fiscal 2016 and ₹201.56 million for Fiscal 2015. We recorded an decrease in our net current tax expense from ₹232.45 million for Fiscal 2015 to ₹220.21 million for Fiscal 2016 due to an increase in minimum alternate tax credit to ₹132.30 million for Fiscal 2016 from nil for Fiscal 2015, which was offset by a decrease in deferred tax credit from ₹30.89 million for Fiscal 2015 to ₹24.34 million for Fiscal 2016.

Restated Profit after tax before share of profit of minority interest. Our restated profit after tax before share of profit of minority interest increased by 51.09% to ₹1,348.57 million for Fiscal 2016 from ₹892.59 million for Fiscal 2015.

Restated Profit attributable to the shareholders of the company. Our restated profit attributable to the shareholders of the company increased by 49.68% to ₹1,335.69 million for Fiscal 2016 from ₹892.34 million for Fiscal 2015, due to the following reasons:

- increase in the Company's revenue from operations (net) by 9.43% to ₹ 5,970.21 million for Fiscal 2016 from ₹ 5,455.58 million for Fiscal 2015 due to an increase in revenues from tablets, capsules and other products sold (such as sachets, injectables, drops, ointments and syrups) in line with the growth of business of the Company and increase in the Company's sale of products for therapeutic areas in the chronic category of the IPM;
- decrease in purchases of stock in trade by 47.70% from ₹ 606.39 million for Fiscal 2015 to ₹ 317.13 million for Fiscal 2016, due to reduced purchase of finished pharmaceutical products from third party manufacturers, in line with a decrease in products manufactured through third party manufacturers; which was partly offset by
- increase in cost of materials consumed by 31.72% to ₹ 582.30 million for Fiscal 2016 from ₹ 442.07 million for Fiscal 2015, primarily on account of increased payments for purchases of raw materials and packing materials including APIs and excipients during the year, in line with increase in products manufactured by the Company at its Assam Facility.

Liquidity and Capital Resources

Historically, we have relied upon equity financing from our shareholders and retained earnings for growth of business and other capital needs. Our short-term liquidity requirements are primarily met from cash generated from operations. We believe that our cash flows from operations will be sufficient to fund our expected capital expenditures, operating expenses and cash requirements for the next 12 months.

Cash Flows

The table below summarizes our cash flows for the periods indicated:

	Fiscal		
	2017 (in ₹ millions)	2016 (in ₹ millions)	2015 (in ₹ millions)
Net cash generated from Operating Activities	1,998.65	1,314.79	900.57
Net cash generated from/(used in) Investing Activities	(1,841.10)	(439.13)	(921.33)
Net cash generated from/(used in) Financing Activities	(236.63)	(836.98)	4.57
Net increase/ (decrease) in cash and cash equivalents	(79.08)	38.68	(16.19)

Operating Activities

Net cash generated from operating activities was ₹1,998.65 million for Fiscal 2017. While our profit before tax was ₹2,637.72 million for Fiscal 2017, our operating profit before working capital changes was ₹2,693.10 million, primarily as a result of adjustments made for depreciation and amortization expenses of ₹237.39 million and diminution in value of investment of ₹3.97 million, offset by a net gain on sale of investments of ₹168.31 million. Changes in working capital to our operating profit for Fiscal 2017 primarily consisted of an increase in trade receivables of ₹138.36 million, an increase in loans and advances of ₹79.84 million, and an increase in inventories of ₹37.25 million, which were partially offset by an increase in trade payables, liabilities and provisions of ₹91.80 million. The increase in trade receivables and increase in loans and advances was in line with the general growth in our business and the increase in our trade payables was due to increase in short term provisions.

Net cash generated from our operating activities was ₹1,314.79 million for Fiscal 2016. While our profit before tax was ₹1,544.44 million for Fiscal 2016, we had an operating profit before working capital changes of ₹1,743.62 million, primarily due to depreciation and amortization expenses of ₹203.56 million, impairment of goodwill on consolidation of ₹27.41 million and finance costs of ₹1.20 million, partially offset by net gain on sale of investments of ₹29.07 million and interest income of ₹4.18 million. Changes in working capital to our operating profit for Fiscal 2016 consisted of an increase in trade receivables of ₹17.03 million and an increase in loans and advances of ₹64.50 million, and a decrease in trade payables, liabilities and provisions of ₹100.35 million, which were partially offset by a decrease in inventories of ₹99.83 million. The increase in trade receivables and increase in loans and advances was in line with the general growth in our business and the decrease in our trade payables was due to payments made to our suppliers and better management of our overall payments obligations.

Net cash generated from our operating activities was ₹900.57 million for Fiscal 2015. While our profit before tax was ₹1,094.15 million, we had an operating profit before working capital changes of ₹1,215.61 million, primarily due to adjustments made for depreciation and amortization expenses of ₹155.14 million, preliminary expenditure written off of ₹0.26 million and finance costs of ₹0.18 million, partially offset by a net gain in sale of investments of ₹33.15 million and interest income of ₹0.84 million. Changes in working capital to our operating profit for Fiscal 2015 consisted of an increase in trade receivables of ₹13.26 million and an increase in inventories of ₹127.94 million, and a decrease in trade payables, liabilities and provisions of ₹5.26 million, which were partially offset by a decrease of loans and advances of ₹65.83 million. The increase in trade receivables and increase in inventories was in line with the general growth in our business. The decrease in trade payables was due to better management of our overall payments obligations and the decrease in loans and advances was due to return of advances made, utilization of CENVAT credit and purchase of fixed assets against advances made.

Investing Activities

Net cash used in investing activities was ₹1,841.10 million for Fiscal 2017, primarily as a result of purchase of non-current investments of ₹773.79 million primarily in relation to our purchase of 75.48% of the outstanding equity in Kinedex in November and December 2016, purchase of current investments (net) of ₹621.05 million such as liquid funds and money market instruments and purchase of fixed assets of ₹497.47 million primarily in relation to our acquisition, effective July 1, 2016, of trademarks in relation to 40 brands, from Amay Pharma, which were partially offset by proceeds from disposal of undertaking of ₹35.00 million in relation to our retirement from Sozin.

Net cash used in investing activities was ₹439.13 million for Fiscal 2016, primarily as a result of purchase of fixed assets of ₹236.41 million primarily comprising of purchase of equipment for our marketing and awareness initiatives, purchase of short term investment (net) of ₹180.23 million primarily comprising of liquid funds and money market instruments and purchase of long term investments of ₹25.95 million, partially offset by interest received of ₹3.91 million.

Net cash used in investing activities was ₹921.33 million for Fiscal 2015, primarily as a result of purchase of long term investments of ₹465.00 million primarily comprising of mutual funds, purchase of short term investments of ₹327.36 million primarily comprising of liquid funds and money market instruments and purchase of fixed assets of ₹130.84 million, partially offset by proceeds from sale of fixed assets of ₹1.58 million and interest received of ₹0.84 million.

Financing Activities

Net cash used in financing activities was ₹236.63 million for Fiscal 2017, due to dividend distribution tax of ₹169.12 million, repayment of short term borrowings of ₹59.57 million, repayment of long term borrowings of ₹5.52 million and finance costs of ₹2.42 million.

Net cash used in financing activities was ₹836.98 million for Fiscal 2016 due to dividend paid of ₹830.78 million on dividend declared, repayment of long term borrowings of ₹5.00 million and finance costs of ₹1.20 million.

Net cash generated from financing activities was ₹4.57 million for Fiscal 2015 due to proceeds from long-term borrowings of ₹10.00 million, partially offset by repayment of long-term borrowings of ₹5.25 million and finance costs of ₹0.18 million.

Indebtedness

As of March 31, 2017, we have outstanding indebtedness of ₹6.48 million in relation to secured term loan from bank availed by our subsidiary Kinedex for purchase of vehicles. Our long term borrowings (including current maturities of long term debt, on a consolidated basis) as of March 31, 2016 and March 31, 2015 were ₹5.00 million and ₹10.00 million, respectively.

Capital Expenditure

Historical Capital Expenditure

For the Fiscal 2017, we invested ₹495.00 million, primarily in our acquisition, effective July 1, 2016, of trademarks in relation to 40 brands from Amay Pharma and payment of non-compete fees to Amay Pharma. For Fiscal 2016, we invested ₹236.19 million, primarily in the purchase of equipment for our marketing and awareness initiatives and information technology systems at our corporate office. For Fiscal 2015, we invested ₹122.17 million, primarily for the purchase of plant and machinery for our Assam Facility, vehicles and other equipment for our marketing and awareness initiatives.

Our actual capital expenditures may differ from this amount due to various factors, including our business plan, our financial performance, market conditions, our outlook for future business conditions, the source and methodology of our financing activities and changing governmental regulations. To the extent that we do not generate sufficient cash from our operations to meet our working capital needs and execute our capital expenditure plans, we may need to revise our capital expenditure plans or seek additional debt or equity financing.

Contingent Liabilities

For details see “*Restated Consolidated Financial Statements – Annexure V - Note 28.7 – Contingent Liabilities*” on page 222.

Certain Line Items in our Consolidated Statement of Assets and Liabilities

Our share capital increased from ₹1.38 million as of March 31, 2016 to ₹137.50 million as of March 31, 2017, primarily due to issue of bonus shares by the Company during the Fiscal 2017, as has been disclosed in the section “*Capital Structure*” on page 68 of this Prospectus.

Our reserves and surplus increased from ₹1,059.47 million as of March 31, 2013 to ₹5,261.74 million as of March 31, 2017, due to accumulation of restated profit for the year, which was partially offset by reserves converted to share capital for issue of bonus shares, interim dividends and tax paid on interim dividends.

Our intangible assets increased from ₹6.96 million as of March 31, 2016 to ₹363.34 million as of March 31, 2017 primarily due to the acquisition of trademarks in relation to 40 brands from Amay Pharma (previously known as Aprica Pharmaceuticals Private Limited) for an aggregate consideration of ₹ 328.70 million.

Our current investments were ₹692.40 million as of March 31, 2015, ₹1,274.45 million as of March 31, 2016 and were ₹ 2,584.83 million as of March 31, 2017, due to investment in liquid instruments such as mutual funds and tax free bonds in line with the growth of our operating revenue.

Our other current assets increased from ₹3.19 million as of March 31, 2016 to ₹79.76 million as of March 31, 2017 due to IPO expense recoverable of ₹ 73.54 million and ₹6.00 million receivable from sale of investment in Sozin as of March 31, 2017, partially offset by a decrease in insurance claim receivable from ₹ 2.92 million as of March 31, 2016, to ₹0.07 million as of March 31, 2017.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to commodity risk, credit risk, interest rate risk and inflation risk in the normal course of our business.

Commodity risk

We are exposed to the price risk associated with purchasing our raw materials, which form a significant component of our expenses. We typically do not enter into long terms arrangements with our vendors and typically source raw materials based on periodic purchase orders and price negotiations. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk. For further information, see “***Risk Factors – Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***” on page 20.

Credit Risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms typically ranging from seven to 21 days with our customers. As of March 31, 2017, 2016 and 2015, our trade receivables were ₹488.59 million, ₹253.69 million and ₹236.66 million, respectively.

Inflation risk

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in our employee benefit payments or other expenses as a result of increase in inflation in India, which we are unable to pass on to our customers, whether entirely or in part, may adversely affect our business and financial condition.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Prospectus, there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “- **Significant Factors Affecting Our Results of Operations**” and the uncertainties described in “**Risk Factors**” on pages 236 and 16, respectively. To our knowledge, except as disclosed in this Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in “**Risk Factors**” commencing on page 16 and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “**Risk Factors – Internal Risk Factors – If we cannot respond adequately to the increased competition we expect to face, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.**” and “**Our Business – Competition**” on pages 26 and 121, respectively.

Seasonality of Business

Our business is not seasonal in nature.

Dependence on a Few Suppliers

For Fiscal 2017, we sourced 52.46% of our APIs, 68.42% of our excipients and 72.63% of our packaging materials from our top five suppliers in each category. We do not have any long term contracts with our third-party suppliers. Prices are negotiated for each purchase order and we generally seek quotations from more than one supplier for each raw material.

For further information, see “**Risk Factors – Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.**” on page 20.

New Products or Business Segments

Except as disclosed in “**Our Business – Our Strategy**” on page 110, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments Occurring after March 31, 2017

Pursuant to a tie-up agreement dated May 1, 2017, among our Company, Pharmanza, Aeran Lab (India) Private Limited and others, we obtained the exclusive right to market in India, certain formulations in the acute pain-analgesics therapeutic area manufactured by Pharmanza under license from the Council of Scientific and Industrial Research-Central Drug Research Institute. As per the terms of the tie-up agreement we are required to submit supply orders of ₹25.00 million to ₹30.00 million per annum for purchase of products from Pharmanza. Further, in relation to the tie-up agreement, and in order to market the products purchased from Pharmanza, we have also entered into certain deeds of assignment, all dated May 1, 2017, to acquire the rights and title in the brands Union, Reunion and Bon Union, for an aggregate consideration of ₹100.00 million, subject to certain additional payments contingent on sales of these brands. For further details see “**History and Certain Corporate Matters – Other Agreements**” on page 132.

Further, on April 12, 2017, we have granted 391,599 stock options to eligible employees under the Eris ESOP. For further details see “**Capital Structure – Notes to Capital Structure – Employee Stock Option Scheme**” on page 70.

Except as disclosed above and in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or adversely affect or are likely to

affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Recent Accounting Pronouncements

Our Company prepares its annual and interim financial statements under Indian GAAP. Our Company is required to prepare annual and interim financial statements under IND (AS) commencing from April 1, 2017. Given that IND (AS) is different in many respects from Indian GAAP, under which we currently prepare our financial statements, the transition to IND (AS) may have a significant impact on our financial results and position.

We have provided a reconciliation of the restated shareholders' equity and net profit after tax on a standalone and consolidated basis for our Company, as of and for the year ended March 31, 2017, respectively, to the unaudited shareholders' equity and net profit after tax on a standalone and consolidated basis for our Company as of and for the year ended March 31, 2017, respectively, prepared by the Company in accordance with the recognition and measurement of principles of IND AS 101 – 'First-time Adoption of Indian Accounting Standards'. Please see ***"Statement of Reconciliation between IND (AS) and Indian GAAP"*** on page 227.

We discuss the impact of adoption of IND (AS) on our financial statements below, using our consolidated financial results for Fiscal 2017 prior to restatement, for illustration purposes only. The discussion below takes into account the impact of the transition to IND (AS) solely in relation to the changes to the line items quantified in the ***"Statement of Reconciliation between IND (AS) and Indian GAAP"***, on page 227, which are unaudited and have not been subjected to any limited review procedures. Our actual financial results may vary significantly if our financial results for Fiscal 2017 are prepared on the basis of IND (AS). See also, ***"Risk Factors – Our Company will be required to prepare financial statements under IND (AS). The transition to IND (AS) in India is very recent and there is no clarity on the effect of such transition on our Company"*** on page 32.

Impact on Consolidated Statement of Profits and Losses

Our net profit after tax before share of minority under Indian GAAP (prior to restatement) was ₹2,410.32 million for Fiscal 2017 while our unaudited total comprehensive income net of tax under IND (AS) was ₹2,444.82 million, primarily due to adjustments for gain on fair valuation of investment of ₹41.03 million, change in useful life of intangible asset of ₹16.93 million, which were partially offset by adjustments for tax on other adjustment of ₹20.76 million and impact of fair value on business combinations of ₹10.42 million. Adjustments for:

- gain on fair valuation of investment were due to measurement of long term investment at cost less diminution in value which is other than temporary under Indian GAAP compared to investment in equity instruments of companies other than subsidiaries, joint ventures and associates measured at fair value through profit or loss under IND (AS);
- change in useful life of intangible asset was due to useful life of intangible asset (brands), being considered at 10 years under Indian GAAP compared to useful life of intangible asset (brands) being considered 50 years as per management estimates and technical evaluation under IND (AS), and the depreciation due to change in life is reversed;
- tax on other adjustment was due to deferred tax adjustment on account of differences between Indian GAAP and IND (AS); and
- impact of fair value on business combinations as in case of acquisition the identifiable assets and liabilities of the target company are recorded either at fair values or at book values under Indian GAAP, while identifiable assets and liabilities of the target company are recorded at fair value under IND (AS).

Please see ***"Statement of Reconciliation between IND (AS) and Indian GAAP – Statement of Reconciliation of Consolidated Net Profit After Tax under IND (AS) and Net Profit After Tax Under Indian GAAP (IGAAP) for the year ended March 31, 2017"*** on page 227 for further details.

Impact on Consolidated Statement of Assets and Liabilities

Our total equity under Indian GAAP (prior to restatement) was ₹5,360.72 million as of March 31, 2017 while our unaudited total equity as per IND (AS) was ₹5,594.78 million as March 31, 2017, primarily due to adjustments

for gain on fair valuation of investment of ₹342.50 million, which were partially offset by adjustments for impact of deferred and current taxes in respect of other adjustments of ₹125.32 million. Adjustments for:

- gain on fair valuation of investment were due to measurement of long term investment at cost less diminution in value which is other than temporary under Indian GAAP compared to investment in equity instruments of companies other than subsidiaries, joint ventures and associates measured at fair value through profit or loss under IND (AS); and
- tax on other adjustment was due to deferred tax adjustment on account of differences between Indian GAAP and IND (AS).

Please see “**Statement of Reconciliation between IND (AS) and Indian GAAP – Statement of Reconciliation of Consolidated Equity under IND (AS) and Indian GAAP (IGAAP) as on 31 March 2017**” on page 227 for further details.

For details on the significant differences between Indian GAAP and IND (AS), see “**Summary of Significant Differences between Indian GAAP and IND (AS)**” on page 254 of this Prospectus.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND (AS)

The Restated Financial Statements included in this Prospectus are presented in accordance with Indian GAAP, which differs from IND (AS) in certain respects. The matters described below cannot necessarily be expected to reveal all material differences between Indian GAAP and IND (AS) which are relevant to us. This is not an exhaustive list of differences between Indian GAAP and IND (AS); rather, it indicates only those differences that we believe will be more relevant to our financial position and results of operations, and to the presentation of our financial statements. We have not considered all material matters of Indian GAAP presentation, classification and disclosures, which also differ from IND (AS). Consequently, there can be no assurance that these are the only material differences in the accounting principles that could have a significant impact on the financial information included in this Prospectus. We have provided a reconciliation of the restated shareholders' equity and net profit after tax on a standalone and consolidated basis for our Company, as of and for the fiscal year ended March 31, 2017, respectively, to the unaudited shareholders' equity and net profit after tax on a standalone and consolidated basis for our Company as of and for the fiscal year ended March 31, 2017, respectively, prepared by our Company in accordance with the recognition and measurement of principles of IND AS 101 – 'First-time Adoption of Indian Accounting Standards'. For details, see "**Financial Information - Statement of Reconciliation between IND (AS) and Indian GAAP**" on page 227. Except the reconciliation as stated hereinabove, we have not made any attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and IND (AS) which may result from prospective changes in accounting standards. In making an investment decision, investors must rely upon their own examination of our business financial information and terms of the Offer. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and IND (AS) and how those differences might affect our financial information.

The Ministry of Corporate Affairs ("MCA") via its notification dated February 16, 2015 states that an "Entity" (which means a 'company' as defined in sub-section (20) of section 2 of the Companies Act, 2013 or as defined in section 3 of the Companies Act, 1956, as the case may be) shall comply with IND (AS) for accounting periods beginning on or after April 1, 2017 (Second Phase), with comparatives for the periods ending on March 31, 2016. Therefore, we will be subject to this notification. For the purposes of this Prospectus, we have prepared our Restated Financial Statements under Indian GAAP.

Areas of Difference	Indian GAAP	Ind AS
Primary literature	AS 1 – Disclosure of Accounting Policies / Schedule III to the Companies Act, 2013 AS 5 – Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Ind AS 1 – Presentation of Financial Statements
Statement of profit or loss and other comprehensive income (statement of comprehensive income)	Statement of profit and loss is the Indian GAAP equivalent of separate statement of profit or loss under Ind AS. Some items such as revaluation surplus, which are treated as "other comprehensive income" under Ind AS, are recognised directly in equity under Indian GAAP. There is no concept of "other comprehensive income" in Indian GAAP.	The statement of profit or loss and other comprehensive income includes all items of income and expense – (i.e. all "non- owner" changes in equity) including: (a) components of profit or loss; and (b) other comprehensive income. An entity is required to present all items of income and expense including components of other comprehensive income in a period in a single statement of profit and loss.
Statement of changes in equity	A statement of changes in equity is not presented. Movements in share capital, retained earnings and other reserves are presented in the notes to accounts.	The statement of changes in equity includes the following information: - total comprehensive income for the period; - the effects on each component of equity of retrospective application or retrospective restatement in accordance with Ind AS 8; and - for each component of equity, a

		reconciliation between the opening and closing balances, separately disclosing each change.
Extraordinary items	Extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	Presentation of any items of income or expense as extraordinary is prohibited.
Reclassification	A disclosure is made in financial statements that comparative amounts have been reclassified to conform to the presentation in the current period without additional disclosures for the nature, amount and reason for reclassification.	When comparative amounts are reclassified, the nature, amount and reason for reclassification are disclosed.
Critical judgments	Does not require disclosure of judgments that management has made in the summary of significant accounting policies or other notes.	Requires disclosure of critical judgments made by management in applying accounting policies.
Estimation uncertainty	Does not require an entity to disclose information about the assumptions that it makes about the future and other major sources of estimation uncertainty at the end of the reporting period though other standards may require certain disclosures of the same.	Requires disclosure of key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The nature of the uncertainty and the carrying amounts of such assets and liabilities at the end of the reporting period are required to be disclosed.
Primary literature	AS 5 – Net Profit Or Loss For The Period, Prior Period Items And Changes In Accounting Policies	Ind AS 8– Accounting Policies, Changes in Accounting Estimates and Errors
Changes in accounting policies	Changes in accounting policies should be made only if required by statute, for compliance with an Accounting Standard or for a more appropriate presentation of the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	Requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
Errors	Prior period items are included in determination of net profit or loss for the period in which the error pertaining to a prior period is discovered and are separately disclosed in the statement of profit and loss in such a manner that	Material prior period errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening balance sheet.

	the impact on current profit or loss can be perceived.	
Primary literature	AS 4 – Contingencies and Events Occurring after the Balance Sheet Date	Ind AS 10 – Events After the Reporting Period
Dividends	Schedule III requires disclosure of proposed dividend in the notes to accounts. However, as per the requirements of AS 4, which override the provisions of Schedule III, dividends stated to be in respect of the period covered by the financial statements that are proposed or declared after the balance sheet date but before approval of the financial statements are recorded as a provision. Further, as per recent amendments by the Companies (Accounting Standards) Amendment Rules, 2016 in AS 4, dividends declared subsequent to the balance sheet are to be considered as a non-adjusting event, which is similar to the Ind-AS requirement.	Liability for dividends declared to holders of equity instruments are recognised in the period when declared. It is a non-adjusting event.
Primary Literature	AS 22 – Accounting for Taxes on Income	Ind AS 12 – Income Taxes
Deferred income taxes	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss for the purposes of financial reporting and for income taxes.	Deferred taxes are computed for temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.
Recognition of deferred tax assets for unused tax losses etc.	Deferred tax asset for unused tax losses and unabsorbed depreciation is recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax asset for all other unused credits/timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.	Deferred tax asset is recognised for carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised. Where an entity has a history of tax losses, the entity recognises a deferred tax asset only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available.
Investments in subsidiaries, branches, and associates and interests in joint arrangements	No deferred tax liability is recognised. Deferred tax expense is an aggregation from separate financial statements of each group entity and no adjustment is made on consolidation	Deferred tax liability for all taxable temporary differences are recognised except to the extent: - the parent, the investor, the venturer or joint operator is able to control timing of the reversal of the temporary difference; and - it is probable that the temporary difference will not reverse in the foreseeable future.
Primary literature	AS 6 – Depreciation Accounting AS 10 – Accounting For Fixed Assets	Ind AS 16 – Property, Plant and Equipment
Change in method of depreciation	Requires retrospective re-computation of depreciation and any excess or deficit on such re-computation is required to be adjusted in the period in which such change is affected.	Changes in depreciation method are considered as changes in accounting estimate and applied prospectively.

	Such a change is treated as a change in accounting policy and its effect is quantified and disclosed.	
Primary Literature	AS 19 – Leases	Ind AS 17 – Leases
		Appendix C to Ind AS 17 – Determining Whether an Arrangement Contains a Lease
Interest in leasehold land	Leasehold land is recorded and classified as fixed assets.	Recognised as operating lease or finance lease as per definition and classification criteria.
Determining whether an arrangement contains a lease	No specific guidance. Payments under such arrangements are recognised in accordance with the nature of expense incurred.	Arrangements that do not take the legal form of a lease but fulfilment of which is dependent on the use of specific assets and which convey the right to use the assets are accounted for as lease.
Primary literature	AS – 15 – (Revised 2005) – Employee Benefits	Ind AS 19 – Employee Benefits
Actuarial gains and losses	All actuarial gains and losses should be recognised immediately in the statement of profit and loss.	Actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are recognised in other comprehensive income and not reclassified to profit or loss in a subsequent period.
Primary literature	AS 28 – Impairment of Assets	Ind AS 36 – Impairment of Assets
	AS 26 – Intangible Assets	
Annual impairment test for goodwill and intangibles	Goodwill and other intangibles are tested for impairment only when there is an indication that they may be impaired.	Goodwill, intangible assets not yet available for use and indefinite life intangible assets are required to be tested for impairment at least on an annual basis or earlier if there is an impairment indication.
Primary literature	AS 29 – Provisions, Contingent Liabilities and Contingent Assets	Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
Recognition of provisions	Provisions are not recognised based on constructive obligations though some provisions may be needed in respect of obligations arising from normal practice, custom and a desire to maintain good business relations or to act in an equitable manner.	A provision is recognised only when a past event has created a legal or constructive obligation, an outflow of resources is probable, and the amount of the obligation can be estimated reliably.
Discounting	Discounting of liabilities is not permitted and provisions are carried at their full values. However, as per recent amendments in AS 29, discounting of decommissioning, restoration and other similar liabilities to present value will be required.	When the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation.
Primary literature	AS 26 – Intangible Assets	Ind AS 38 – Intangible Assets
Measurement	Measured only at cost.	Intangible assets can be measured at either cost or revalued amounts.
Goodwill	Goodwill arising on amalgamation in the nature of purchase is amortised over a period not exceeding five years.	Not amortised but subject to annual impairment test or more frequently whenever there is an impairment indication.
Useful Life	The useful life not be indefinite. There is rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when asset is available for use.	Useful life may be finite or indefinite.
Primary literature	No equivalent standard on investment property. At present,	Ind AS 40 – Investment Property

	covered by AS 13 – Accounting for Investments	
Definition and scope	AS 13 defines investment property as an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of the investing entity. However, as per the recent amendments in AS 13, accounting for investment property would be in accordance with the cost model as prescribed in the revised AS 10.	Investment property is land or building (or part thereof) or both held (whether by owner or by a lessee under a finance lease) to earn rentals or for capital appreciation or both.
Primary literature	AS 13 – Accounting for Investments	Ind AS 109 Financial Instruments
	AS 30 – Financial Instruments: Recognition And Measurement	
Investments, deposits loans and advances	Investments are classified as long-term or current. Long term investments are carried at cost less provision for diminution in value, which is other than temporary. Current investments carried at lower of cost and fair value. Deposits, loans and advances are measured at cost less valuation allowance.	All financial assets are classified as measured at amortised cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss, or recognised in other comprehensive income. Debt Instrument held within a business model : - Collect contractual cash flows - Amortised cost - Collect contractual cash flows and selling financial assets – measured at fair value through other comprehensive income Ind AS 109 provides an option to irrevocably designate, at initial recognition, financial assets as measured at fair value through profit or loss if doing so eliminates an accounting mismatch. Certain Equity instruments – option to irrevocably designate them so that subsequent changes in fair value are in other comprehensive income. Dividend income from such assets – Profit / Loss
Impairment	An entity should assess the provision for doubtful debts at each period end which, in practice, is based on relevant information such as - past experience, - actual financial position and - cash flows of the debtors. Different methods are used for making provisions for bad debts, including: - the ageing analysis, - an individual assessment of recoverability.	The impairment model in Ind AS 109 is based on expected credit losses. Expected credit losses (with the exception of purchased or original credit-impaired financial assets) are required to be measured through a loss allowance at an amount equal to: - The 12 month expected credit losses; or - Lifetime expected credit losses if credit risk has increased significantly since initial recognition of the financial instrument.

Primary Literature	AS 21 – Consolidated Financial Statements	Ind AS 27 – Separate Financial Statements
		Ind AS 110 – Consolidated Financial Statements
		Ind AS 112 – Disclosure of Interests in Other Entities
Definition of control	Control is: (a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an entity; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other entity so as to obtain economic benefits from its activities. Therefore a mere ownership of more than 50 per cent. of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.	Control is based on whether an investor has: (a) power over the investee; (b) exposure, or rights, to variable return from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amounts of the returns.
Exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/investment/interest was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/investor/venturer.	Consolidated financial statements include all subsidiaries and equity accounted associates and joint ventures. No exemption for “temporary control”, “different lines of business” or “subsidiary / associate / joint venture that operates under severe long- term funds transfer restrictions”.
Disclosure of nature and risk associated with interest in other entities	There is no equivalent standard. AS 21, AS 23 and AS 27 require certain minimum disclosures in respect of subsidiaries, investments in associates and investments in joint ventures respectively.	Ind AS 112 requires disclosures for significant judgements and assumptions such as how control, joint control and significant influence has been determined along with detailed analysis.
Primary Literature	AS 27 – Financial Reporting Of Interests In Joint Ventures	Ind AS 111 – Joint Arrangements
		Ind AS 28 – Investments in Associates and Joint Ventures
Consolidated financial statements of the venturer	Proportionate consolidation method is applied when the entity prepares consolidated financial statements.	The equity method, as described in Ind AS 28 is applied when the entity prepares consolidated financial statements.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings involving our Company, Directors, Subsidiaries or Promoters; (ii) actions taken by statutory or regulatory authorities against our Company, Directors, Promoters or Subsidiaries; and (iii) outstanding claims involving our Company, Directors, Promoters or Subsidiaries for any direct and indirect tax liabilities; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or Subsidiaries, pending or taken, during the last five years immediately preceding the year of this Prospectus; (v) prosecutions filed (whether pending or not); (vi) fines imposed or compounding of offences by our Company and its Subsidiaries in the last five years immediately preceding the year of this Prospectus; (vii) pending defaults or non-payment of statutory dues by our Company; (viii) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Prospectus; (ix) material frauds committed against our Company, in the five years preceding the date of this Prospectus; (x) outstanding dues to creditors of our Company as determined to be material by our Board of Directors in accordance with the SEBI ICDR Regulations; and (xi) outstanding dues to small scale undertakings and other creditors. Further, there have been no proceedings initiated against our Company for economic offences or defaults in respect of dues payable.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy for the purposes of disclosure, all pending litigation involving our Company, Promoters, Directors and Subsidiaries, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered ‘material’ if such pending litigation is in excess of 1.00% of our Company’s consolidated profit after tax as per the latest annual restated consolidated financial information (i.e. for Fiscal 2017), i.e., ₹ 24.21 million, or any such litigation which is material from the perspective of the Company’s business, operations, prospects or reputation.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. LITIGATION INVOLVING OUR COMPANY

A. Outstanding criminal proceedings involving our Company

Criminal proceedings by our Company

Our Company has initiated three proceedings under section 138 of the Negotiable Instruments Act, 1881, for the dishonor of cheques against four stockists claiming dishonor of cheques against the payment of dues to the Company for products purchased. Two of these proceedings are pending before the Metropolitan Magistrate, Ahmedabad, Gujarat while one is pending before the Chief Judicial Magistrate, Varanasi, Uttar Pradesh. The aggregate amount involved in these proceedings, to the extent ascertainable is ₹ 1.58 million.

B. Pending action by statutory or regulatory authorities against our Company

1. A complaint dated September 17, 2014 was filed by Madhya Pradesh Chemist and Distribution Federation before the Competition Commission of India (the “CCI”), pursuant to which, the CCI directed the initiation of an investigation against Madhya Pradesh Chemist and Druggist Association and certain pharmaceutical companies including our Company, alleging violation of section 3 of the Competition Act, on grounds that our Company, along with certain other companies, allegedly carried out anti-competitive practices and refused to supply drugs to stockists who did not obtain a ‘no objection certificate’ from the zonal association of chemist and druggist, Madhya Pradesh. It was also alleged that such conduct directly or indirectly limited and controlled the supply and marketing of pharmaceutical products in India. Pursuant to an order of the CCI dated December 29, 2014, the Director General was directed to cause an investigation into the matter. As part of such investigation, the CCI issued a notice dated May 15, 2017 seeking certain documents/information from our Company, including any geographical restrictions imposed on a distributor for selling of products. Our Company pursuant to its response dated June 2, 2017 provided the relevant information sought. Our Company, if held in breach, would be liable to pay a penalty in accordance with the provisions of the Competition Act (which amount may range from 1% to 10% of our average turnover for the three Fiscals ended March 31, 2012, 2013 and 2014. The matter is currently pending.

2. A notice dated April 24, 2015 was issued to our Company by the Deputy Director General, CCI requiring us to provide certain clarifications in respect of our payments in the amount of ₹ 46,000 to the Federation of Gujarat State Chemists and Druggists Association (the “**Federation**”) during Fiscal 2014. It has been stated in the notice that such payment was made by our Company to the Federation to be used towards advertisements published in its monthly publication titled Gujarat Aushadhi Jagat. Our Company, pursuant to its reply clarified that such publications have been made voluntarily in order to create awareness at the chemist outlets of the existence and composition of newly launched drugs of the Company and would enable such outlets to dispense drugs against prescriptions accordingly. Further, our Company, also provided the details sought, including the details of the amount paid, the acknowledgement slips issued by the Federation and the list of all stockists and wholesalers of the Company in Ahmedabad and Vadodara. The office of the Director General, CCI thereafter issued a notice dated July 7, 2015 to Mr. Amit Indubhushan Bakshi, in his capacity as Managing Director, seeking his presence to record his statement on oath pursuant to which the authorised representative of the Company appeared before the Director General, CCI and recorded his statement on July 31, 2015. We have not, until date, received any further communication from the CCI in this regard.
3. Our Company received six demand notices (the “**Demand Notices**”) the first of which was dated February 27, 2017, and subsequent notices received until March 9, 2017, each from the National Pharmaceutical Pricing Authority (the “**NPPA**”) involving an aggregate amount of ₹ 129.03 million. These Demand Notices alleged that in respect of various formulations of a drug ‘Cyblex’, we have either overcharged the public or sold such formulations without obtaining price approval, in contravention of the Drugs (Price Control) Order, 2013 (“**DPCO**”) and the Essential Commodities Act, 1955. Our Company responded to the Demand Notices in April, 2017 stating that such formulations of Cyblex (containing active pharmaceutical ingredient such as Metformin) were not ‘new drugs’ as defined under paragraph 2(u) of the DPCO. Our Company received two show cause notices (in respect of which no demand notices had been issued) in March, 2017, wherein, our Company was required to furnish the production and sales details and thereafter, six show cause notices following our responses to the Demand Notices. These notices required our Company to show cause as to why action should not be taken for such alleged violations of the DPCO and the Essential Commodities Act, 1955. Our Company responded to each of these show cause notices in April, 2017 reiterating the grounds put forth in its responses to the Demand Notices, and accordingly, requested for the withdrawal of such notices. Thereafter, the NPPA issued a letter dated May 19, 2017 pursuant to our response for one of the demand notices in relation to the formulation ‘Cyblex MV 80.2’ and clarified that when a formulation is identical to a scheduled formulation in terms of the active pharmaceutical ingredient, it shall fall under price control, and accordingly required the Company to deposit the alleged amount of ₹ 23.63 million. The matter is currently pending.
4. The NPPA issued a show cause notice along with a list of drugs, dated May 17, 2017 alleging that certain pharmaceutical companies in India are in contravention of the DPCO on account of the fact they have launched formulations by altering the scheduled formulations, either with strength or dosage other than as specified under the DPCO, or in combination with non-scheduled formulations without applying for price approval from the NPPA. Such list includes certain formulations of drugs manufactured by our Company such as ‘Glimisave Debut M’, ‘Glimisave Max’, ‘Glimisave Max V’, ‘Maxformin’ and ‘Cyblex MV’. The NPPA, pursuant to the show cause notice directed us to furnish the batch-wise production and sales details of the alleged formulations, along with the corresponding maximum retail price, certified by a chartered accountant or a cost accountant, from the date of launch of such formulations until date, along with the reasons for such non-compliance of the DPCO. Our Company has not yet, filed a response to this memorandum cum show cause notice.

C. Tax proceedings against our Company

Direct tax proceedings

There are two direct tax proceedings pending against our Company and the aggregate amount involved under such proceedings (to the extent ascertainable) pursuant to such claims is ₹ 3.02 million. The nature of these proceedings pertain to the alleged incorrect computations of income by our Company for certain assessment years.

D. Other material outstanding litigation involving our Company

Material outstanding litigation against our Company

1. Unichem Laboratories Limited (“**Unichem**”) instituted a suit dated August 11, 2014 against our Company, Sozin and Morpen Laboratories Limited, before the High Court of Bombay, seeking an injunction and damages in the amount of ₹ 0.10 million on account of alleged infringement by our Company of the trademark ‘ALLERFEX’ and passing off, by using the trademarks ‘ALERFIX’ and ‘ALERFIX-M’. Our Company filed a reply dated August 27, 2014, denying any allegation of infringement and further stated that it had been using its trademark since December 2008 and that its trademark was not identical or deceptively similar to that of Unichem. The High Court of Bombay passed an order dated October 7, 2014 denying such injunction against which Unichem filed an appeal dated October 30, 2014. The appeal is currently pending before the High Court of Bombay. Subsequently, our Company has filed an application dated October 19, 2016 for rectification of the trademark register, requesting the removal of the trademark ‘ALLERFEX’ on the ground that such mark was adopted without any *bona fide* intention to use for commercial purposes and was put to use so as to take unfair advantage of the goodwill and reputation already earned by our Company. The matter is currently pending.
2. Micro Labs Limited (“**Micro**”) instituted a suit in May 2013 against our Company before the High Court of Madras, seeking permanent injunction on account of alleged infringement by our Company of the trademarks ‘OLAMIN’ and ‘OLAMINE’ and passing off thereof, by using the trademark ‘OLMIN’. Our Company filed a written statement dated December 20, 2013 challenging the plaint on the ground that the High Court of Madras did not have jurisdiction in this matter and that the trademark used by our Company was distinctively different from the trademarks of Micro. The High Court of Madras passed an order dated November 7, 2014 rejecting the plaint on account of lack of jurisdiction. Thereafter, Micro filed an appeal along with a miscellaneous application for temporary injunction against the order of the High Court of Madras dated November 7, 2014. The High Court of Madras passed an order dated September 15, 2015 allowing the appeal but without allowing any interim relief. Thereafter, pursuant to an order dated January 11, 2017, the High Court of Madras refused the miscellaneous application for temporary injunction filed by Micro and stayed the suit, pending disposal of the rectification application filed by our Company before the Intellectual Property Appellate Board for removal of the trademark ‘OLAMIN’. The matter is currently pending before the Intellectual Property Appellate Board.
3. Amay Pharmaceuticals Private Limited instituted a suit dated December 29, 2016 for recovery of dues along with an application for temporary injunction before the Commercial Court in City Civil Court, Ahmedabad against our Company, Aprica Health, Mr. Maharshi Sanjaykumar Vyas and Mr. Maulik Pandya alleging non-payment of an amount of ₹ 52.80 million along with relevant interest out of a total consideration of ₹ 431.50 million in respect of, among other things, the purchase of various trademarks, brand names and stocks of Amay Pharma. Amay Pharma also sought to restrain the defendants from using the trademark ‘Aprica’ and other trademarks originally owned by Amay Pharma, and further selling, licensing and assigning such trademarks during the pendency of this suit. In response to the injunction application, our Company filed a response dated January 20, 2017 clarifying that it was required to pay an amount of ₹ 328.70 million in respect of its acquisition of trademarks in terms of the deed of assignment dated August 6, 2016 and ₹ 50 million in terms of the non-competition and non-solicitation agreement, aggregating to an amount of ₹ 378.70 million, and such amount was paid by it. Further, our Company also claimed that it was not a party to the term sheet negotiated between Amay Pharma and Mr. Maharshi Sanjaykumar Vyas, and was accordingly not required to pay the remaining amount of ₹ 52.80 million. Aprica Health, Mr. Maharshi Sanjaykumar Vyas and Mr. Maulik Pandya also filed a response clarifying that they had made a payment of ₹ 48.62 million in tranches to Amay Pharma, in respect of their obligations under the term sheet, and that only ₹ 4.18 million was required to be paid. Thereafter, Amay Pharma filed an application dated January 21, 2017 before the High Court of Gujarat, seeking the setting aside and stay of an order dated October 27, 2016 of the Trademark Registry pursuant to which the registration of assignment of impugned trademarks was taken on record by the Trademark Registry and our Company had become the proprietor of such impugned trademarks. Our Company, pursuant to its response dated February 2, 2017, prayed for dismissal of such application. Thereafter, Amay Pharma, pursuant to interlocutory applications, each dated March 23, 2017, prayed for recalling the order dated October 27, 2016 of the Trademark Registry alleging that such assignment of the impugned trademarks to our Company was arbitrary, illegal and against the principles of natural justice.
4. Lupin Limited (“**Lupin**”) instituted a suit dated April 22, 2014 against our Company, Windlas Biotech Limited and Kanchan Pharma Private Limited, before the High Court of Bombay, seeking an injunction and damages in the amount of ₹ 0.50 million on account of alleged infringement by our Company of the

trademark ‘NEBISTAR’ and passing off, by using the trademark ‘NEBISTOL’. The High Court of Bombay passed an ex-parte ad-interim order dated April 28, 2014, granting a temporary injunction against our Company, operative until May 8, 2014. Such order was made operative until further orders. Thereafter, our Company filed a written statement dated October 9, 2014, denying any allegation of infringement and further stated that its trademark was neither identical nor deceptively similar to that of Lupin. Subsequently, pursuant to an order dated December 23, 2015, the High Court of Bombay granted an injunction restraining our Company from using the impugned trademark and also directed the ceiling and takeover of goods bearing the mark ‘NEBISTOL’. The matter is currently pending.

5. Unimed Technologies Limited (“**Unimed**”) and Sun Pharmaceuticals India Limited (“**Sun Pharma**”) instituted a suit against our Company and Windlas Biotech Limited before the High Court of Madras, seeking permanent injunction and damages in the amount of ₹ 0.10 million on account of alleged infringement by our Company of the trademark ‘ZEMPRED’ and passing off, by using the trademark ‘ZENPRIDE’. The High Court of Madras passed an order dated January 28, 2013, granting the injunction restraining our Company from using the trademark ZENPRIDE’. Our Company thereafter filed an appeal dated March 15, 2013 seeking stay of the order dated January 28, 2013. Unimed and Sun Pharma filed a reply dated June 18, 2013 seeking dismissal of such appeal.

Material outstanding litigation by our Company

1. Our Company issued a purchase order dated June 29, 2015 to Wipro Limited for the purchase of certain number of a medical device named ‘Monica AN24’ which was claimed to non-invasively measure fetal heart rate during the gestation period beginning 20 weeks of pregnancy until the first stage of labor. However, when put to use by our Company, these claims were found unsustainable and inconsistent with the United States Food and Drug Administration (“**USFDA**”) approval granted in respect of the device, which was suppressed from us. Thereafter, our Company issued a legal notice dated July 20, 2016 to Wipro Limited requiring it to recall all devices delivered and issue an unconditional indemnity bond to protect our Company against any third party claims which could potentially arise in the future. Our Company also claimed a refund of the consideration paid along with damages aggregating to an amount of ₹ 16.07 million in this regard. In response, Wipro Limited, issued a response dated August 19, 2016 to our Company denying all allegations and requiring us to make payment of ₹ 10.04 million, the remainder of the consideration amount along with interest. Thereafter, our Company issued a notice dated January 16, 2017 invoking the arbitration clause in the purchase order and appointed a sole arbitrator. In response, Wipro Limited, pursuant to a letter dated January 25, 2017 stated that it did not agree with such appointment granting liberty to our Company to file an application with the High Court for the appointment of a sole arbitrator.
2. Our Company filed an application for injunction before the Commercial Court of Ahmedabad against Zuventus Healthcare Limited (“**Zuventus**”), Synokem Pharmaceuticals Limited and Gopal Distributors and Marketing alleging that Zuventus’ trademark ‘ARBOZIL’ is visually, phonetically and structurally similar to our Company’s trademark ‘ARBAZEAL’ and seeking a temporary injunction to restrain the defendants from marketing and manufacturing pharmaceutical preparations under the trademark ‘ARBOZIL’. Our Company also instituted a suit against Zuventus before the Commercial Court of Ahmedabad seeking damages in the amount of ₹ 15.00 million on account of groundless notices issued by Zuventus and seeking a perpetual injunction against Zuventus from issuing such notices to our Company in the future. Subsequently, Zuventus filed a suit for passing off and damages dated March 14, 2017 before the High Court of Bombay, praying that our Company be restrained from using, manufacturing, advertising, selling or promoting any pharmaceutical and medicinal preparations under our trademark ‘ARBAZEAL’ and any other mark deceptively similar to trademark ‘ARBOZIL’ and requiring us to pay damages in the amount of ₹ 1.00 million. Our Company, pursuant to its response dated April 7, 2017, denied the allegations made by Zuventus and prayed for dismissal of the suit dated March 14, 2017. Our Company, thereafter, filed a rejoinder dated June 13, 2017 before the Commercial Court of Ahmedabad, in response to the written statement filed by Zuventus against our suit.

E. Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on us

Except as disclosed below, there are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices

against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

Our Company filed three writ petitions, two dated March 16, 2016 and the third dated March 21, 2016 against the Union of India and the Drug Controller General of India before the High Court of Delhi, challenging the notifications No. S.O. 815 (E), 802 (E), 805 (E), 807 (E), 814 (E), 782 (E), 810 (E) and 894 (E), each dated March 10, 2016 (the “**Notifications**”) pursuant to which the Government of India had prohibited the manufacture for sale, sale and distribution of fixed dose combination based on the purported understanding that such drugs are likely to involve risk to human beings. Our Company challenged the Notifications on the ground that they were violative of its right to equality before law and its freedom of trade and commerce. Our Company, thereafter, separately filed applications with the High Court of Delhi for staying the effect and operation of the Notifications, pursuant to which an order dated April 6, 2016 was passed and the effect of the Notifications were stayed. The High Court of Delhi pursuant to judgment dated December 1, 2016 quashed the Notifications on the ground that they were issued without following due procedure. An appeal has been filed before the Supreme Court of India against the order dated December 1, 2016. Our Company has not been named as a party in such appeal.

F. Past cases where penalties were imposed, offences were compounded or prosecutions were filed

Except as disclosed below, there were no past cases where penalties were imposed, offences were compounded or prosecutions were filed.

1. Pursuant to the notices dated October 10, 2014 and June 2, 2015 received from the NPPA, our Company and Sozin were alleged to have overcharged the price of a tablet by the brand name ‘Atorsave-10’ beyond the ceiling prices fixed in this regard. The amount involved in this matter was ₹ 33.06 million. Consequently, our Company, pursuant to a response dated June 17, 2015, clarified that immediately upon the receipt of the notification revising the prices of the tablets, it put in all its efforts to recall the stocks with higher prices available across the country. The NPPA thereafter issued a demand notice dated September 16, 2015 requiring our Company to pay an amount of ₹ 2.29 million towards the overcharged amount along with interest, of which ₹ 1.71 million was paid by our Company. The NPPA then issued a letter dated January 18, 2016, requiring us to pay the balance interest amount of ₹ 0.66 million. The interest amount has not been paid by the Company as a scheme for settlement of similar disputes is under contemplation.
2. Pursuant to a notice dated July 27, 2015 received from the NPPA, our Company was alleged to have overcharged the price of a tablet by the brand name ‘Superclop’. Our Company, pursuant to its reply dated August 14, 2015 agreed to pay the difference of ₹ 0.38 million. The NPPA, thereafter issued a demand notice to our Company dated September 24, 2015 requiring us to pay an amount of ₹ 0.38 million along with an interest of ₹ 0.06 million and such amount was duly paid by our Company. Thereafter, our Company received another letter from the NPPA dated March 15, 2016, requiring us to pay the balance interest amount of ₹ 199 and such amount was also duly paid by our Company.
3. Pursuant to notices dated September 2, 2015 and January 13, 2016 received from the NPPA, our Company was alleged to have overcharged the price of a tablet by the brand name ‘Enoxsave’ and was required to pay an amount of ₹ 0.21 million and such amount was duly paid by our Company.

G. Outstanding dues to small scale undertakings or any other creditors

As of March 31, 2017, we had 667 creditors. The aggregate amount outstanding to such creditors as on March 31, 2017 was ₹ 251.52 million. For further details, see <http://www.eris.co.in>.

As per the Materiality Policy, creditors to whom an amount exceeding 5.00% of our total consolidated trade payables as per the latest audited financials shall be considered ‘material’. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 12.58 million, which is 5.00% of our total consolidated trade payables for Fiscal 2017, were considered ‘material’ creditors. Based on the above, there are two material creditors of the Company as on March 31, 2017, to whom an aggregate amount of ₹ 35.27 million was outstanding on such date.

Based on information available with the Company, there are no dues outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as of March 31, 2017.

II. LITIGATION INVOLVING OUR SUBSIDIARIES

A. Other Material outstanding litigation involving our Subsidiaries

Material outstanding litigation initiated against our Subsidiaries

Other than the proceeding involving our Subsidiary, Aprica Healthcare Private Limited, as provided in “**Other material outstanding litigation involving our Company - material outstanding litigation against our Company**” on page 261, there are no outstanding litigation initiated against any of our Subsidiaries.

Material outstanding litigation initiated by our Subsidiaries

Litigation by Kinedex Healthcare Private Limited

1. Kinedex Healthcare Private Limited instituted a suit against Recxia Formulations Private Limited (“**Recxia**”) seeking temporary injunction and damages on account of alleged infringement by Recxia of the trademark ‘ROSIFLEX’ and passing off, by using the trademark ‘ROSIREX’. The High Court of Bombay passed an order dated April 18, 2016 granting interim injunction restraining Recxia from using the trademark ‘ROSIREX’ and such order was made operative until further orders. Subsequently, Recxia filed a written statement dated December 3, 2016 denying all allegations and seeking a dismissal of the suit. The matter is currently pending.

B. Tax proceedings against our Subsidiaries

Direct tax proceedings involving Eris Therapeutics Private Limited

As on the date of this Prospectus, there is one direct tax proceeding pending against ETPL and the amount involved under such proceeding (to the extent ascertainable) pursuant to such claim is ₹ 5.38 million. The nature of this proceeding pertains to alleged incorrect computations of income by ETPL for the assessment year 2010-2011.

Direct tax proceedings involving Kinedex Healthcare Private Limited

There are seven direct tax proceedings pending against Kinedex Healthcare Private Limited and the aggregate amount involved under such proceedings (to the extent ascertainable) pursuant to such claims is ₹ 8,947. The nature of these proceedings pertain to the alleged incorrect computations of income by our Company as well as certain matters in the nature of short payment of TDS for certain assessment years.

Indirect tax proceedings involving Kinedex Healthcare Private Limited

There is one indirect tax proceeding pending against Kinedex Healthcare Private Limited in respect of non-payment of VAT and the amount under this proceeding (to the extent ascertainable) is ₹ 525.

III. LITIGATION INVOLVING OUR PROMOTERS

A. Outstanding criminal litigation involving our Promoters

Criminal proceedings against our Promoters

An FIR dated June 7, 2014 was filed with the Ellisbridge Police Station, Ahmedabad by an ex-employee of our Company, Mr. Shalin A. Parikh, against Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah alleging grievous bodily injury and threat to life under Sections 323, 506(2) and 114 of the Indian Penal Code. Since these offences are non-cognizable in terms of the Indian Penal Code, Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi, Mr. Rajendrakumar Rambhai Patel

and Mr. Kaushal Kamlesh Shah have been granted bail in this regard by the relevant police authority. As on the date of this Prospectus, no notice or summons have been received in this regard.

B. Tax proceedings involving our Promoters

Direct tax proceedings

Proceedings against Mr. Amit Indubhushan Bakshi

Mr. Amit Indubhushan Bakshi received a summons under section 131(1A) of the Income Tax Act dated October 13, 2016, requesting for certain information and clarifications regarding the income tax filed for Fiscal 2010 to Fiscal 2015.

IV. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding criminal litigation involving our Directors

Criminal proceedings against our Directors

Except as provided under “- ***Criminal Proceedings against our Promoters***” on page 265, there are no other criminal proceedings against our Directors.

B. Tax proceedings involving our Directors

Direct tax proceedings

Proceedings against Mr. Amit Indubhushan Bakshi

Except as provided under “- ***Tax Proceedings involving our Promoters***” on page 266, there are no other direct tax proceedings against Mr. Amit Indubhushan Bakshi.

Proceedings against Mr. Shardul Suresh Shroff

There is currently one income tax proceeding pending before the Commissioner of Income Tax (Appeals) in the amount of ₹ 0.27 million pertaining to the alleged incorrect computation of income of Mr. Shroff in respect of the assessment year 2014 - 2015.

V. PAST INQUIRIES, INVESTIGATIONS OR INSPECTIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five years immediately preceding the year of issue of this Prospectus in the case of our Company and Subsidiaries.

Material developments since the last balance sheet date

Except as stated in “***Management’s Discussion and Analysis of Financial Condition and Results of Operation – Significant Developments Occurring after March 31, 2017***” on page 251, no circumstances have arisen since March 31, 2017, the date of the last restated financial information disclosed in this Prospectus, which materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company can undertake the Offer and our Company can undertake its respective current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. Unless otherwise stated, these approvals are valid as of the date of this Prospectus.

I. General Details

Incorporation Details

1. Certificate of incorporation dated January 25, 2007 issued to our Company by the RoC in the name of 'Eris Lifescience Private Limited'.
2. Fresh certificate of incorporation dated February 9, 2007 issued to our Company by the RoC on account of the change in name from 'Eris Lifescience Private Limited' to 'Eris Lifesciences Private Limited'.
3. Fresh certificate of incorporation dated February 2, 2017 issued by the RoC pursuant to the conversion of our Company to a public limited company and consequent change in our name from 'Eris Lifesciences Private Limited' to 'Eris Lifesciences Limited'.

For details of corporate and other approvals in relation to the Offer, see “***Other Regulatory and Statutory Disclosures – Authority for the Offer - Corporate Approvals***” on page 270.

Tax Related Registrations

- (i) The permanent account number of our Company is AABCE7067M.
- (ii) The tax deduction account number of our Company is AHME00711E.

Other Registrations

- (i) Our Company has received certificate of registration (DICC/KAMRUP/NEIIPP2007/01732/NU/ 2013) dated April 25, 2013 under the NEIIP, issued by the District Industries and Commerce Centre, Kamrup, Government of Assam in relation to our Assam Facility, to avail of the central capital investment subsidy scheme/ central interest subsidy scheme/ central comprehensive insurance scheme.
- (ii) Our Company has received certificate of importer-exporter code dated April 10, 2014, pursuant to which the Department of Commerce and Industry, Government of India allotted 0809013096 as our importer exporter code number.

II. Approvals in relation to operations of our Company

Our Company requires various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by us to undertake our business, including manufacturing and marketing of drugs are provided below:

A. Approvals for our Assam Facility

- (i) *License under the DC Rules:* Our Company is required to obtain licenses from the Drugs Controller & Licensing Authority, Assam (a) for the manufacture and sale or distribution; and (b) the stocking, sale or wholesale distribution, of various pharmaceuticals as specified under the DCA Rules and manufactured at our Assam Facility.
- (ii) *Registration under the Regulation of Controlled Substances Order:* Our Company is required to obtain registration for the purchase, storage, or consumption of certain controlled substances,

as provided under the Regulation of Controlled Substances Order for certain drugs which are purchased and stored at our Assam Facility.

- (iii) *Consents and Authorizations under Environmental Legislations:* Our Assam Facility is required to obtain consents to operate under the Air Act and Water Act and authorization under the Hazardous Waste Rules to operate a facility for the storage and disposal of hazardous wastes generated during the manufacture of formulation for capsules and tablets manufactured at our Assam Facility.
- (iv) *Registration and License to work a factory:* Our Company is required to obtain license under the Factories Act in relation to our Assam Facility, which is valid until December 31, 2017.
- (v) *Legal Metrology:* Our Company is required to obtain certificates of registration issued by the Legal Metrology Division, Guwahati under the Legal Metrology Act, 2009.
- (vi) *Factory related approvals:* Various licenses and registration are required to be obtained under the Boilers Act, 1923 for the use of boilers, the Petroleum Act, 1934 for the import and storage of petroleum, fire no-objection certificates under the Electricity Act, 2003 and certificate of stability under the Factories Act.
- (vii) *Contract Labour Registration:* Our Company employs contract labour at our Assam Facility and are required to obtain registration as a “principal employer” in terms of the Contract Labour (Regulation and Abolition) Act, 1970 and the rules made thereunder.
- (viii) *Tax registrations:* Various registrations are required to be obtained from the state commissioners or departments under central or state-level tax legislations, including for value added tax, entry tax and central excise tax, as applicable.

B. Approvals in relation to our Registered Office and our Corporate Office

Shops and Establishment registrations: Our Registered Office and our Corporate Office are both located in Gujarat and are required to obtain registration under the Bombay Shops and Establishments Act, 1948, which is applicable in the state of Gujarat.

As of the date of this Prospectus, our Company has obtained all the aforementioned key approvals for our Assam Facility, our Registered Office and our Corporate Office, and all such approvals are valid and subsisting.

III. INTELLECTUAL PROPERTY APPROVALS

Trademarks

As on the date of this Prospectus, our Company and Subsidiaries have registered a total of 142 trademarks for various brand names (including for our logo ‘Eris’), under various classes including class 5, 9, 10, 16, 29, 30, 31 and 32, granted by the Registrar of Trademarks under the Trademarks Act, in India, including five registered trademarks which were assigned to our Company pursuant to deed of assignment of trademark dated August 6, 2016, among Aprica Pharmaceuticals Private Limited, Mr. Maharshi Sanjaykumar Vyas and our Company. Further, as on May 20, 2017, our Company and Subsidiaries have also made applications seeking registration for more than 200 trademarks for various brands, with the Registrar of Trademarks under the Trademarks Act.

We have obtained registration or have applied for registration under the Trademarks Act in respect of our top ten brands under various classes, as follows:

S. No.	Description	Registration/ Application Number	Date of Registration/ Application
Registered Trademarks			
1.	Glimisave	1527880	February 5, 2007
2.	Eritel	1621718	November 19, 2007
3.	Rabonik	1751874	November 7, 2008
4.	Remylin	1821051	May 22, 2009
5.	Tayo	2057509	November 23, 2010
6.	Crevast	1897541	December 18, 2009

S. No.	Description	Registration/ Application Number	Date of Registration/ Application
Applications			
1.	Olmin*	1897542	December 18, 2009
2.	Atorsave*	1527878	February 5, 2007
3.	Lnbloc*	2394953	September 12, 2012
4.	Tendia*	3061672	September 23, 2015

* The trademark applications in respect of these brands have been opposed to by certain third parties.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board of Directors has authorized the Offer by a resolution dated February 2, 2017.
- The Red Herring Prospectus has been approved by the Board on June 6, 2017.
- This Prospectus has been approved by the Board on June 21, 2017.

Approvals from the Selling Shareholders

The Selling Shareholders have approved the transfer of their respective portion of the Equity Shares pursuant to the Offer for Sale as set out below:

S. No.	Name of the Selling Shareholder	Date of Board Resolution/ Consent Letter	Number of Equity Shares offered for sale
1.	Botticelli	January 13, 2017	22,344,000
2.	Mr. Amit Indubhushan Bakshi	February 8, 2017	687,500
3.	Mr. Himanshu Jayantbhai Shah	February 8, 2017	687,500
4.	Mr. Inderjeet Singh Negi	February 8, 2017	1,031,167
5.	Mr. Rajendrakumar Rambhai Patel	February 8, 2017	1,031,166
6.	Mr. Kaushal Kamlesh Shah	February 8, 2017	1,031,167
7.	Mr. Bhikhabhai Chimanlal Shah	February 8, 2017 and revised consent dated May 18, 2017	1,375,000
8.	Mr. Hetal Rasiklal Shah	February 8, 2017	687,500

Each Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus or, to the extent that the Equity Shares being offered by such Selling Shareholder in the Offer have not been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus, such Equity Shares have resulted from a bonus issue on Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus. Further, in this regard, the Company confirms that such bonus shares have been issued by capitalizing the free reserves of the Company existing in the books of account of the Company as at March 31, 2016 (and not by utilization of revaluation reserves or unrealized profits of the Company). Therefore, the Equity Shares offered by the Selling Shareholders in the Offer are eligible to be offered for sale in the Offer.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of our Equity Shares pursuant to letters dated February 27, 2017 and February 24, 2017, respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

None of our Company, our Promoters, the members of our Promoter Group, our Directors or persons in control of our Company are or have ever been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other governmental authorities. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Further, none of our Company, our Promoters, members of our Promoter Group, our Directors or persons in control of our Company are debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

Each Selling Shareholder, severally and not jointly, specifically confirms that it has not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, each Selling Shareholder, severally and not jointly, specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations. There are no violations of securities laws committed by any of the Selling Shareholders in the past or are currently pending against any of them.

None of our Directors are in any manner associated with the securities market, including securities market related business and no action has been taken by the SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

Neither our Company, nor our Selling Shareholders, nor our Subsidiaries, nor our Promoters, nor any member of our Promoter Group, nor our Directors, nor the relatives (as per the Companies Act) of our Promoters, are or have been declared as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(2) of the SEBI ICDR Regulations as described below:

“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”

We undertake to comply with Regulation 26(2) of the SEBI ICDR Regulations as at least 75% of the Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING AXIS CAPITAL LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND CREDIT SUISSE

SECURITIES (INDIA) PRIVATE LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 8, 2017 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
 - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS ETC., FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT 1956, TO THE EXTENT APPLICABLE, THE COMPANIES ACT 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID;
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE;
5. WE CERTIFY THAT WRITTEN CONSENTS FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS;
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS – COMPLIED WITH AND NOTED FOR COMPLIANCE;

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER – NOT APPLICABLE;
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION; NOT APPLICABLE AS THIS IS AN OFFER FOR SALE;
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO AMONG THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT 2013;
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY;
11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION;
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - a. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER - NOTED FOR COMPLIANCE;

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. - COMPLIED WITH;
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY;
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR;
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY R R S & ASSOCIATES, CHARTERED ACCOUNTANTS, BY WAY OF CERTIFICATE DATED FEBRUARY 3, 2017;
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE.

The filing of this Prospectus does not, however, absolve any person who has authorized the issue of this Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of this Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Price Information of past issues handled by the BRLMs

Axis Capital Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th Calendar days from listing
1.	S Chand And Company Limited	7,286	670.00	May 9, 2017	700.00	-17.37%, [+3.59%]	-	-
2.	Avenue Supermarts Limited	18,700	299	March 21, 2017	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	-
3.	BSE Limited	12,434.32	806	February 3, 2017	1,085.00	+17.52%, [+2.55%]	+24.41%, [+6.53%]	-
4.	Varun Beverages Limited	11,250.00	445	November 8, 2016	430.00	-7.72%, [-5.17%]	-9.36%, [+3.01%]	+10.60%, [+9.02%]
5.	Endurance Technologies Limited	11,617.35	472	October 19, 2016	572.00	+16.06%, [-6.69%]	+23.78%, [-2.84%]	+73.98%, [+5.55%]
6.	RBL Bank Limited	12,129.67	225	August 31, 2016	274.20	+27.07%, [-2.22%]	+56.98%, [-7.50%]	+107.91%, [+1.26%]
7.	Dilip Buildcon Limited	6,539.77	219	August 11, 2016	240.00	+5.11%, [+3.20%]	+1.53%, [-0.57%]	+22.12%, [+2.43%]
8.	Advanced Enzyme Technologies Limited	4,114.88	896 ²	August 1, 2016	1,210.00	+56.24%, [+1.23%]	+145.97%, [-0.12%]	+101.14%, [0.05%]
9.	Qess Corp Limited	4,000.00	317	July 12, 2016	500.00	+73.60%, [+0.64%]	+94.59%, [+2.20%]	+110.36%, [-3.34%]
10.	Ujjivan Financial Services Limited	8,824.96 ¹	210	May 10, 2016	231.90	+72.38%, [+4.88%]	+115.38%, [+10.44%]	+103.93%, [+7.72%]

Source: www.nseindia.com

¹Company has undertaken a Pre-Ipo Placement aggregating to ₹2,918.39 Million. The size of the fresh issue as disclosed in the draft red herring prospectus dated December 31, 2015, being ₹6,500 Million, has been reduced accordingly.

²Price for eligible employees was ₹ 810.00 per equity share

Notes:

- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Axis Capital Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30 th calendar day from listing			Nos. of IPOs trading at premium – 30 th calendar day from listing			Nos. of IPOs trading at discount – 180 th calendar day from listing			Nos. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	1	7,286	-	-	1	-	-	-	-	-	-	-	-	-
2016-2017	10	111,377.80	-	-	1	4	2	3	-	-	-	6	-	2
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Citigroup Global Markets India Private Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Citigroup Global Markets India Private Limited

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th Calendar days from listing
1.	UFO Moviez India Limited	6,000.0	625.00	May 14, 2015	600.00	(-)11.68%, [(-)2.93 %]	(-)3.18%, [+2.90%]	(-)18.27%, [(-)3.76%]

2.	Coffee Day Enterprise Limited	11,500.0	328.00	November 2, 2015	317.00	(-)21.42%, [(-)1.19%]	(-)20.76%, [(-)6.15%]	(-)20.98%, [(-)2.50%]
3.	InterGlobe Aviation Limited	30,085.0	765.00	November 10, 2015	855.80	+32.39%, [(-)2.20%]	+9.41%, [(-)3.78%]	+40.59%, [(-)0.64%]
4.	Dr. Lal Pathlabs Limited	6,319.1	550.00	December 23, 2015	720.00	+32.54%, [(-)7.49%]	+66.95%, [(-)2.06%]	+63.13%, [+3.87%]
5.	Mahanagar Gas Limited	10,388.8	421.00	July 1, 2016	540.00	+20.86%, [+3.72%]	+57.15%, [+5.00%]	+83.71%, [(-)3.55%]
6.	L&T Infotech Limited	12,363.8	710.00	July 21, 2016	667.00	(-)6.39%, [+1.84%]	(-)12.44%, [+1.97%]	(-)4.21%, [(-)1.14%]
7.	RBL Bank Limited	12,129.7	225.00	August 31, 2016	274.20	+27.07%, [(-)2.22%]	+56.98%, [(-)7.50%]	+103.07%, [+1.74%]
8.	Endurance Technologies Limited	11,617.4	472.00	October 19, 2016	572.00	+16.06%, [(-)6.69%]	+23.78%, [(-)2.84%]	+76.32%, [+5.68%]
9.	Laurus Labs Limited	13,305.1	428.00	December 19, 2016	489.90	+11.44%, [+3.62%]	+23.97%, [+13.03%]	+41.43%, [+18.31%]
10.	India Grid Trust	22,499.6	100.00	June 6, 2017	99.70	NA	NA	NA

Source: www.nseindia.com

Notes:

1. Nifty is considered as the benchmark index.
2. In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered
3. Since the listing date of India Grid Trust was June 6, 2017, information relating to closing prices and benchmark index as on 30th / 90th / 180th calendar day from listing date is not available.

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by Citigroup Global Markets India Private Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30 th calendar day from listing			Nos. of IPOs trading at premium – 30 th calendar day from listing			Nos. of IPOs trading at discount – 180 th calendar day from listing			Nos. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018	1	22,499.6	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	5	59,804.8	-	-	1	-	1	3	-	-	1	3	1	-
2015-2016	4	53,904.1	-	-	2	-	2	-	-	-	2	1	1	-

Notes:

1. Since the listing date of India Grid Trust was June 6, 2017, information relating to closing prices and benchmark index as on 30th / 180th calendar day from listing date is not available.

Credit Suisse Securities (India) Private Limited

1. Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Credit Suisse Securities (India) Private Limited

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Syngene International Limited	5,500.00	250.00	August 11, 2015	295.00	36.00%, [-7.61%]	44.90%, [-6.47%]	57.20%, [-12.70%]
2.	TeamLease Services Limited	4,236.77	850.00	February 12, 2016	860.00	15.34%, [7.99%]	5.38%, [12.43%]	35.35%, [24.31%]
3.	S Chand And Company Limited	7,285.57	670.00	May 09, 2017	707.00	-18.52%, [3.55%]	NA	NA
4.	IRB InvIT Fund	50,328.84	102.00	May 18, 2017	103.25	-2.84%, [1.68%]	NA	NA

Source: www.nseindia.com for the price information and prospectus for issue details

Notes:

1. Price information and benchmark index values have been shown only for the designated stock exchange in the above table
2. NSE is the designated stock exchange for the issue listed in the above table. Nifty is considered as the benchmark index.
2. In case 30th/ 90th/180th day is not a trading day, closing price on the NSE of a trading day immediately prior to the 30th/ 90th/180th day, is considered

3. Since the listing date of S Chand And Company Limited. was May09, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available
4. Since the listing date of IRB InvIT Fund Limited. was May18, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available

2. *Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Credit Suisse Securities (India) Private Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018	2	57,614.41	-	-	2	-	-	-	-	-	-	-	-	-
2016-2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015-2016	2	9,736.77	-	-	-	-	1	1	-	-	-	1	1	-

Notes:

1. Since the listing date of S Chand And Company Limited. was May 09, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available
2. Since the listing date of IRB InvIT Fund Limited. was May 18, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
Axis Capital Limited	www.axiscapital.co.in
Citigroup Global Markets India Private Limited	www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm
Credit Suisse Securities (India) Private Limited	www.credit-suisse.com/in/IPO/

Caution – Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.eris.co.in, or any website of any of the members of our Promoter Group, Subsidiaries or any affiliate of our Company or the Selling Shareholders, would be doing so at his or her own risk. Each Selling Shareholder, and where applicable, their respective directors, affiliates, associates and officers accept no responsibility for any statements made or undertakings provided other than those made by the respective Selling Shareholders, and only in relation to them and/or to the Equity Shares offered by such Selling Shareholder through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into among the BRLMs, the Selling Shareholders and our Company, and the Underwriting Agreement entered into among the Underwriters, the Registrar to the Offer, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company, the Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and our respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders that bid in the Offer will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and

representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families (“HUFs”), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds (“AIFs”), FPIs registered with SEBI and QIBs. The Red Herring Prospectus did not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus or this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus will be filed with the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 (“U.S. Securities Act”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A (“Rule 144A”) under the Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of the Draft Red Herring Prospectus, is listed below.

“BSE has given vide its letter dated February 27, 2017 permission to the Company to use BSE’s name in this offer document as one of the stock exchanges on which the Company’s securities are proposed to be listed. BSE has scrutinised this offer document for its limited internal purpose of deciding the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- (i) warrant, certify or endorse the correctness or completeness of any of the contents of the offer document;

- (ii) warrant that the Company's securities will be listed or will continue to be listed on the exchange; or
- (iii) take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of the Draft Red Herring Prospectus, is listed below.

"NSE has given vide its letter Ref.: NSE/LIST/105394 dated February 24, 2017 permission to the Company to use NSE's name in this Offer Document as one of the stock exchanges on which the Company's securities are proposed to be listed. NSE has scrutinised the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that the Company's securities will be listed or will continue to be listed on NSE; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company.

Every person who desires to apply for or otherwise acquire any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any reason whatsoever."

Filing

A copy of the Draft Red Herring Prospectus has been filed with the SEBI at Mumbai, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, were delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of this Prospectus required to be filed under Section 26 of the Companies Act 2013 will be delivered for registration to the RoC situated at the address mentioned below.

The Registrar of Companies, Gujarat
ROC Bhavan, Opposite Rupal Park Society
Behind Ankur Bus Stop
Naranpura, Ahmedabad 380 013
Gujarat, India

Listing

Applications have been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the Auditors, the legal counsels, the Bankers to our Company, industry data providers, independent chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) Bankers to the Offer/ Escrow Bank and Refund Bank to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and 32 of the Companies Act 2013. Further, such consents shall not be withdrawn up to the time of delivery of this Prospectus with the RoC.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions.

Our Company has received written consent from Deloitte Haskins & Sells, LLP, Chartered Accountants, our Auditors, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Prospectus and as “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect of their reports on the Restated Financial Statements included in this Prospectus. Such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” and consent thereof does not represent an “expert” or consent within the meaning under the U.S. Securities Act, 1933.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ 795.09 million. The expenses of this Offer include, among others, listing fees, underwriting fees, brokerage and selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage, selling commission and bidding charges payable to Registered Brokers, CRTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated Offer expenses are as follows:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer Size*
1.	Fees payable to the BRLMs (including brokerage and selling commission)	360.42	45.33	2.07
2.	Selling commission and processing fees for SCSBs ⁽²⁾⁽⁴⁾	13.50	1.70	0.08
3.	Brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, CRTAs and CDPs ⁽¹⁾⁽³⁾	8.63	1.08	0.05
4.	Fees payable to the Registrar to the Offer	0.20	0.03	0.00
5.	Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsels	252.14	31.71	1.45
6.	Miscellaneous	160.20	20.15	0.92
Total Estimated Offer Expenses		795.09	100	4.57

- (1) Selling commission on the portion for Retail Individual Investors and the portion for Non-Institutional Investors which are procured by members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable service tax)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable service tax)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Bidding Charges: ₹ 10/- per valid Bid cum Application Form (plus applicable service tax) procured by the Syndicate (including their sub-syndicate members)

- (2) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by them would be as follows:

Portion for Retail Individual Investors	0.35% of the Amount Allotted* (plus applicable service tax)
Portion for Non-Institutional Investors	0.20% of the Amount Allotted* (plus applicable service tax)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No additional bidding charges shall be payable by to the SCSBs on the applications directly procured by them.

- (3) Processing fees /uploading charges payable to the Registered Brokers, CRTAs and CDPs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers/ CRTAs / CDPs and submitted to SCSBs for processing, would be as follows:

Portion for Retail Individual Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)
Portion for Non-Institutional Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)

- (4) Processing fees payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by the members of the Syndicate/sub-syndicate members/Registered Brokers/ CRTAs / CDPs and submitted to SCSBs for blocking, would be as follows:

Portion for Retail Individual Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)
Portion for Non-Institutional Investors	₹ 10.00 per valid Bid cum Application Form (plus applicable service tax)

Important Note:

- The brokerage / selling commission payable to the Syndicate/ sub-syndicate members will be determined on the basis of the Bid cum Application Form number/ series, provided that the application is also bidded by the respective Syndicate/ sub-syndicate member. For clarification, if a Bid cum Application Form with number / series of a Syndicate/ sub-syndicate member, is bidded by an SCSB, the brokerage/ selling commission will be payable to the SCSB and not to the Syndicate/ sub-syndicate member.
- The brokerage/ selling commission payable to the SCSBs, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.
- The bidding charges payable to the Syndicate/ sub-syndicate members, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.
- Payment of brokerage/ selling commission payable to the sub-brokers/ agents of the sub-syndicate members needs to be handled directly by the sub-syndicate members, and the necessary records for the same shall be maintained by the respective sub-syndicate member.

Other than, listing fees, which will be borne by the Company, all costs, fees and expenses with respect to the Offer will be shared between the Selling Shareholders, in proportion to their respective Offered Shares sold pursuant to this Offer, upon successful completion of the Offer. Upon the successful completion of the Offer, each of the Selling Shareholders agree that they shall severally and not jointly reimburse our Company, on a pro-rata basis, in proportion to their respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders.

Fees, Brokerage and Selling Commission

The total fees payable to the Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the Syndicate Agreement which were made available for inspection at our Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Offer Closing Date.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice/CAN, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the Registrar Agreement signed among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which was made available for inspection at our Registered Office. Adequate funds shall be provided to the Registrar to the Offer to enable it to send refund orders or Allotment Advice by registered post or speed post or ordinary post.

Particulars regarding Public or Rights Issues during the Last Five Years

There have been no public, including any rights issues to the public undertaken by our Company during the five years immediately preceding the date of this Prospectus.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, CRTAs and CDPs, see “ - *Offer Expenses*” above on page 280.

Commission or Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous Issues Otherwise than for Cash

Except as disclosed in “*Capital Structure*” on page 68, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital Issues in the Preceding Three Years

Except as disclosed in “*Capital Structure*” on page 68, our Company has not made any capital issues during the three years immediately preceding the date of this Prospectus. None of our Subsidiaries is a listed company.

Performance vis-à-vis Objects

Except as disclosed in “*Capital Structure*” on page 68, our Company has not undertaken any public or any rights issues in the 10 years immediately preceding the date of this Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries

None of our Subsidiaries have made any public or rights issues in the 10 years immediately preceding the date of this Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares or other instruments

Our Company does not have any outstanding debentures, bonds or redeemable preference shares or other instruments, as on the date of this Prospectus.

Partly Paid-Up Shares

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders DP' ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Our Company, BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Milind Talegaonkar, Company Secretary, as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Mr. Milind Talegaonkar

7th Floor, Commerce House IV
Beside Shell Petrol Pump
100 Feet Road, Prahladnagar, Ahmedabad 380 015
Gujarat, India

Tel: +91 79 3045 1182

Fax: +91 79 3017 9404

E-mail: complianceofficer@erislifesciences.com

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Ms. Vijaya Sampath, Mr. Himanshu Jayantbhai Shah and Mr. Inderjeet Singh Negi, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "**Our Management**" on page 135.

Disposal of investor grievances by listed Subsidiaries

As on the date of this Prospectus, none of our Subsidiaries are listed on any stock exchange, and therefore there are no investor complaints pending against any of them.

Changes in Auditors

Except as described below, there has been no change in our statutory auditors during the three years immediately preceding this Prospectus.

Name of Auditor	Date of Change	Reason
R.R.S. & Associates, Chartered Accountants	August 2, 2016	Resignation
Deloitte Haskins & Sells, LLP, Chartered Accountants	August 10, 2016	Appointment in casual vacancy

Capitalization of Reserves or Profits

Except as disclosed in “**Capital Structure**” in page 68, our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the last five years preceding the date of filing this Prospectus.

SECTION VII – OFFER RELATED INFORMATION

OFFER STRUCTURE

The Offer is of 28,875,000 Equity Shares of face value of ₹ 1 each, at an Offer Price of ₹ 603 per Equity Share for cash, aggregating ₹ 17,411.63 million and is being made through the Book Building Process, through an Offer for Sale by the Selling Shareholders, including 22,344,000 Equity Shares aggregating to ₹ 13,473.43 million by Botticelli, 687,500 Equity Shares aggregating to ₹ 414.56 million by Mr. Amit Indubhushan Bakshi, 687,500 Equity Shares aggregating to ₹ 414.56 million by Mr. Himanshu Jayantbhai Shah, 1,031,167 Equity Shares aggregating to ₹ 621.79 million by Mr. Inderjeet Singh Negi, 1,031,166 Equity Shares aggregating to ₹ 621.79 million by Mr. Rajendrakumar Rambhai Patel, 1,031,167 Equity Shares aggregating to ₹ 621.79 million by Mr. Kaushal Kamlesh Shah, 1,375,000 Equity Shares aggregating to ₹ 829.13 million by Mr. Bhikhabhai Chimanlal Shah and 687,500 Equity Shares aggregating to ₹ 414.56 million by Mr. Hetal Rasiklal Shah. The Offer comprises a Net Offer to the public of 28,725,000 Equity Shares and an Employee Reservation Portion of 150,000 Equity Shares (comprising 0.11% of the post-Offer Equity Share capital of our Company). In terms of Rule 19(2)(b)(iii) of the SCRR, the Net Offer is made for at least 10% of the post-Offer paid up Equity Share capital of our Company.

	Eligible Employees	QIBs*	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation**	150,000 Equity Shares	At least 21,543,750 Equity Shares	Not more than 4,308,750 Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not more than 2,872,500 Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation	The Employee Reservation Portion constitutes 0.11% of the post-Offer paid-up Equity Share capital of our Company	At least 75% of the Net Offer will be Allotted to QIBs. However, 5% of the QIB Category, excluding the Anchor Investor Portion, was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation portion was also eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund portion was available for allocation to QIBs	Not more than 15% of the Net Offer or Offer less allocation to QIBs and Retail Individual Investors	Not more than 10% of the Net Offer or the Offer less allocation to QIBs and Non-Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate	Proportionate as follows (excluding the Anchor Investor Portion): (a) 430,875 Equity Shares was made available for allocation on a proportionate basis to Mutual Funds; and (b) 8,186,625 Equity Shares was made available for allocation on a proportionate basis to all other QIBs including Mutual Funds receiving allocation as per (a) above	Proportionate	Allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For more information, see “Offer Procedure” on page 292.

Eligible Employees		QIBs*	Non-Institutional Investors	Retail Individual Investors
Mode of Bidding		Through ASBA process only (except Anchor Investors)		
Minimum Bid	24 Equity Shares	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of 24 Equity Shares thereafter	Such number of Equity Shares in multiples of 24 Equity Shares so that the Bid Amount exceeds ₹ 200,000	24 Equity Shares and in multiples of 24 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of 24 Equity Shares so that the maximum Bid Amount by each Eligible Employee in this portion does not exceed ₹ 500,000 less Employee Discount, if any	Such number of Equity Shares in multiples of 24 Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of 24 Equity Shares so that the Bid does not exceed the Offer, subject to applicable limits	Such number of Equity Shares in multiples of 24 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment		Compulsorily in dematerialized form		
Bid Lot		24 Equity Shares and in multiples of 24 Equity Shares thereafter		
Allotment Lot		24 Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot		One Equity Share		
Who can Apply***	Eligible Employees such that the Bid Amount does not exceed ₹ 500,000	Public financial institutions specified in Section 2(72) of the Companies Act, FPIs (other than category III FPIs), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, VCFs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, systemically important non-banking financial companies, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by the GoI, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions societies and trusts and any category III FPIs registered with SEBI, which is a foreign corporate or foreign individual for Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 in value	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value

	Eligible Employees	QIBs*	Non-Institutional Investors	Retail Individual Investors
		Department of Posts, India		
Terms of Payment****	In case of Anchor Investors: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids In case of all other Bidders: Full Bid Amount was blocked by the SCSBs in the bank account of the Bidders (other than Anchor Investors) that was specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form			

* Our Company and the Investor Selling Shareholder, in consultation with the BRLMs allocated up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.

**This Offer is made through the Book Building Process wherein at least 75% of the Net Offer will be Allotted to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis as mentioned above. Further, not more than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not more than 10% of the Net Offer was made available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable laws. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for value exceeding ₹ 200,000 up to ₹ 500,000. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer to the public.

***If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

**** Full Bid Amount was made payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which allocation was made to the Anchor Investors and the Anchor Investor Offer Price, is payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Bidders were required to confirm and would be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Employee Discount

The Employee Discount was offered to the Eligible Employees bidding in the Employee Reservation Portion, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion bidding at the Cut-Off Price were required to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Withdrawal of the Offer

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date; and (ii) the final RoC approval of this Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids were accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date (which for QIBs was a day prior to the Bid/Offer Closing Date), Bids were accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion. On the Bid/Offer Closing Date, extension of time was granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders were advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. If a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system are not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids were accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and this Prospectus, the Bid cum Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI, FIPB and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and allotted in the Offer will be subject to the provisions of the Companies Act, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see “**Main Provisions of the Articles of Association**” on page 338.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer, will be received by the Allottees, in accordance with applicable law. For more information, see “**Dividend Policy**” and “**Main Provisions of our Articles of Association**” on pages 155 and 338 of this Prospectus, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 1. At any given point of time there will be only one denomination for the Equity Shares.

The Price Band, Minimum Bid Lot and Employee Discount were decided by our Company and the Investor Selling Shareholder, in consultation with the BRLMs and published at least five Working Days prior to the Bid/Offer Opening Date, in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all Gujarati editions of Financial Express (a widely circulated Gujarati newspaper, Gujarati also being the regional language of Ahmedabad where our Registered Office is located), and was available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the floor Price and at the Cap Price was pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchanges.

Rights of the Equity Shareholder

Subject to applicable law and our Articles of Association, the Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend,

forfeiture, lien, transfer, transmission, consolidation and splitting, see “**Main Provisions of the Articles of Association**” on page 338.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act 2013, the Equity Shares will be Allotted only in dematerialized form.

As per the SEBI ICDR Regulations, the trading of our Equity Shares will only be in dematerialized form.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of one Equity Share. For the method of Basis of Allotment, see “**Offer Procedure**” on page 292.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, as amended, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder’s death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Offer Period

BID/OFFER OPENED ON*	Friday, June 16, 2017
BID/OFFER CLOSED ON	Tuesday, June 20, 2017
FINALIZATION OF BASIS OF ALLOTMENT	On or about Friday, June 23, 2017
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	On or about Tuesday, June 27, 2017
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about Wednesday, June 28, 2017
COMMENCEMENT OF TRADING	Thursday, June 29, 2017

* The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date, i.e., June 15, 2017.

This timetable, is indicative in nature and does not constitute any obligation or liability on our Company,

the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Offer period by our Company due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each Selling Shareholder confirms that it shall extend reasonable cooperation required by our Company, the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Minimum Subscription

As the Offer is entirely through Offer for Sale, the requirement of 90% minimum subscription under the SEBI ICDR Regulations is not applicable to the Offer. In the event our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b)(iii) of the SCRR, as applicable, including through devolvement to the Underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company and the respective Selling Shareholders shall be liable to pay interest on the application money at the rate of 15% per annum for the period of delay. However, subject to applicable law, the respective Selling Shareholders shall not be liable to reimburse any expenses towards refund or any interest thereon in respect to Allotment of their respective proportion of the Offered Shares or otherwise, unless the failure or default or delay, as the case may be, is solely on account of such Selling Shareholder.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares are Allotted will be not less than 1,000.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares is one Equity Share, there are no arrangements for disposal of odd lots.

Restriction on Transfer of Shares

Except for lock-in of pre-Offer equity shareholding, Minimum Promoters' Contribution and Anchor Investor lock-in, as detailed in "**Capital Structure**" on page 68 and as provided in our Articles as detailed in "**Main Provisions of the Articles of Association**" on page 338, there are no restrictions on transfers and transmission of shares and on their consolidation/splitting.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI (“General Information Document”) included below under section titled “ – Part B - General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

PART A

Book Building Procedure

The Offer is made in terms of Rule 19(2)(b)(iii) of the SCRR, through the Book Building Process and in compliance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be Allotted to QIBs provided that our Company and the Investor Selling Shareholder, in consultation with the BRLMs, have allocated up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to the Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only. The remainder was made available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer was made available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, 150,000 Equity Shares (comprising 0.11% of the post-Offer Equity Share capital of our Company), aggregating to ₹ 81.45 million was made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or over the Offer Price. All Bidders (except Anchor Investors) were mandatorily required to participate in this Offer only through the ASBA process by providing details of their respective bank account in which the Bid amount were blocked by the SCSBs. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see “**Offer Procedure**” on page 292.

Any unsubscribed Equity Shares in the Employee Reservation Portion is added to the Net Offer to the public. Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account,

including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms were also made available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date. The Bid cum Application Forms for Eligible Employees Bidding in the Employee Reservation Portion was made available only at our Registered Office and our Corporate Office.

For Anchor Investors, the Bid cum Application Forms was made available at the offices of the BRLMs.

Bidders (other than Anchor Investors) were required to compulsorily use the ASBA process to participate in the Offer. Anchor Investors were not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) were required to provide bank account details and authorisation by the ASBA bank holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, such Bidders were required to ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection. Bidders were also required to ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [^]	White
Non-Residents including FPIs (including FIIs), and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis [^]	Blue
Anchor Investors**	-
Eligible Employees Bidding in the Employee Reservation Portion***	Pink

* Excluding electronic Bid cum Application Forms

** Bid cum Application Forms for Anchor Investors were made available at the office of the BRLMs.

[^] Electronic Bid cum Application forms were also made available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

*** The Bid cum Application Forms for Eligible Employees were made available only at our Registered Office and our Corporate Office.

Designated Intermediaries (other than SCSBs) are required to submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and are not permitted to submit it to any non-SCSB bank or any Escrow Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section “**General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue**” on page 305, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- scientific and/or industrial research organisations authorised in India to invest in the Equity Shares; and
- any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoter/Promoter Group

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoters, Promoter Group, BRLMs and any persons related to the BRLMs (except Mutual Funds sponsored by entities related to the BRLMs) cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason therefore. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External (“**NRE**”) accounts, or Foreign Currency Non-Resident (“**FCNR**”) accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the PIS is subject to certain limits, i.e., 10% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has passed a Board resolution dated February 2, 2017 and shareholders' resolution dated February 3, 2017 to increase the aggregate limit for investments by NRIs to 24% of our paid-up Equity Share capital. Thereafter our Company intimated the RBI about such increase in investment limit, however, the RBI pursuant to an email dated March 17, 2017 noted that our Company is an unlisted company and directed us to refile our intimation with the RBI after listing of our Equity Shares on the Stock Exchanges.

Bids by FPI (including FIIs)

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2014 (“**SEBI FPI Regulations**”), investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10% of our post-Offer Equity Share capital.

Any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995. An FII or a sub-account may, subject to payment of conversion fees under the SEBI

FPI Regulations, participate in this Offer, until the expiry of its registration with SEBI as an FII or a sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of applicable FEMA regulations and the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, investments by FPIs in the capital of an Indian company under the SEBI (Foreign Portfolio Investors) Regulations, 2014 is subject to certain limits, i.e. the individual holding of an FPI is restricted to below 10% of the capital of the company and the aggregate limit for FPI investment is capped at 24% of the capital of the company. Such aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has passed a Board resolution dated February 2, 2017 and shareholders' resolution dated February 3, 2017 to increase the aggregate limit for investments by FPIs to 49% of our paid-up Equity Share capital. Thereafter our Company intimated the RBI about such increase in investment limits, however, the RBI pursuant to an email dated March 17, 2017 noted that our Company is an unlisted company and directed us to refile our intimation with the RBI after listing of our Equity Shares on the Stock Exchanges.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required

to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, the Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholders, in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see the section entitled “**Offer Procedure – Part B – General Information Document for Investing in Public Issues**” on page 302.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in the Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company, after registering the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all Gujarati editions of Financial Express (a widely circulated Gujarati newspaper, Gujarati also being the regional language of Ahmedabad where our Registered Office is located).

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company, the Selling Shareholders and the Registrar to the Offer have entered into an Underwriting Agreement with the Underwriters pursuant to which, this Prospectus is being filed with the RoC. This Prospectus contains details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and is complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
6. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;
7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum

Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
20. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).

21. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
22. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;
23. Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
8. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
12. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
13. Instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
14. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors) and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
18. Do not submit more than five Bid cum Application Forms per ASBA Account;
19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

21. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and
22. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account

Our Company and the Investor Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, have decided the list of Anchor Investors to whom the Allotment Advice has been sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Account should be drawn in favor of:

- (i) In case of resident Anchor Investors: “Eris IPO –Escrow Account – R”
- (ii) In case of non-resident Anchor Investors: “Eris IPO –Escrow Account – NR”

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated January 25, 2017 among NSDL, the Company and the Registrar to the Offer.
- Agreement dated January 27, 2017 among CDSL, the Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

- (i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
- (iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date;
- (iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;
- (v) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) That, except for allotment of Equity Shares to employees of our Company pursuant to exercise of options granted under the Eris ESOP, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

- (vii) That if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (viii) That if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;
- (ix) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- (x) That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time; and
- (xi) That adequate arrangements shall be made to collect all Bid cum Application Forms.

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

- (i) The Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the Selling Shareholders for a period of at least one year prior to the date of the Draft Red Herring Prospectus, provided that, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus;
- (ii) The Selling Shareholders are the legal and beneficial owners of and have full title to their respective Equity Shares being offered through the Offer for Sale.
- (iii) That they shall provide all reasonable cooperation as requested by the Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Equity Shares offered by them pursuant to the Offer;
- (iv) The Selling Shareholders will not have recourse to the proceeds of the Offer, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- (v) The Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- (vi) The Selling Shareholder will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and
- (vii) The Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer are available for transfer in the Offer.

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Utilization of Net Proceeds

The Selling Shareholders, along with the Company, specifically confirm and declare that all monies received from the Offer for Sale shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus (“**RHP**”)/Prospectus filed by the Issuer with the Registrar of Companies. Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Offer (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

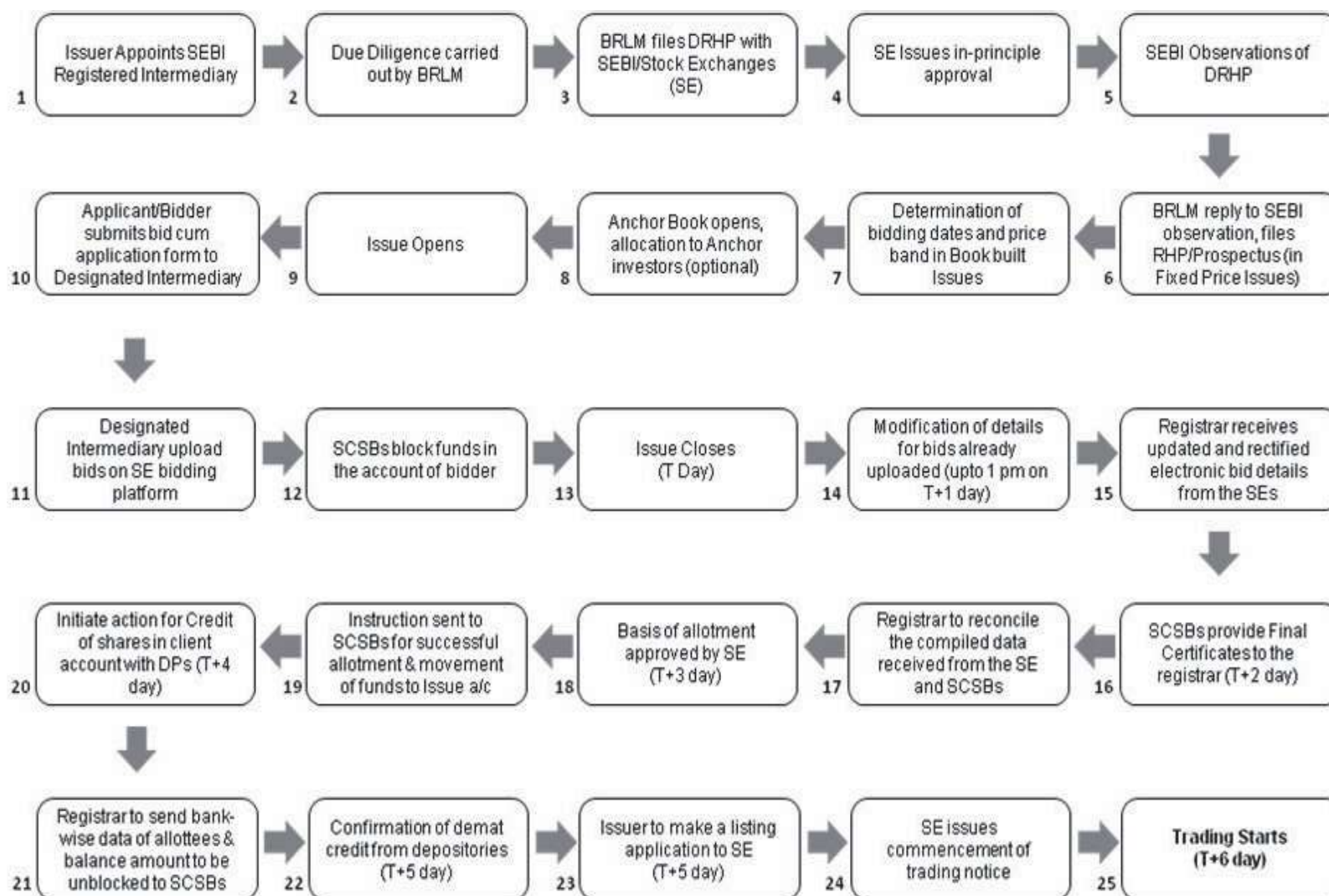
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7 : Determination of Offer Date and Price
 - ii. Step 10: Applicant submits Bid cum Application Form with Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FPIs registered with SEBI, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares; Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs (including FIIs), and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	-
Eligible Employees Bidding in the Employee Reservation Portion	Pink

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form – For Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : _____ Contact Details : _____ CIN No. _____	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																											
LOGO TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____	Bid cum Application Form No. _____																											
SYNDICATE MEMBER'S STAMP & CODE _____ SUB-BROKER'S / SUB-AGENT'S STAMP & CODE _____ BANK BRANCH SERIAL NO. _____	BROKER/SCSB/DP/RTA STAMP & CODE _____ BROKER/BANK/SCSB BRANCH STAMP & CODE _____ SCSB SERIAL NO. _____	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE / FIRST BIDDER _____																											
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID _____ 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>☐</td> </tr> <tr> <td>OR Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>☐</td> </tr> <tr> <td>OR Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>_____</td> <td>☐</td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price	Option 1	_____	_____	_____	_____	☐	OR Option 2	_____	_____	_____	_____	☐	OR Option 3	_____	_____	_____	_____	☐	5. CATEGORY ☐ Retail Individual Bidder ☐ Non-Institutional Bidder ☐ QIB 6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Hindu Undivided Family - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please specify) - OTH * HUF should apply only through Karta (Application by HUF would be treated on par with Individual)
Bid Options	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)																					
		Bid Price	Retail Discount	Net Price																									
Option 1	_____	_____	_____	_____	☐																								
OR Option 2	_____	_____	_____	_____	☐																								
OR Option 3	_____	_____	_____	_____	☐																								
7. PAYMENT DETAILS Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ _____ I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNEXURE, PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERTAKING" AT GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF.		PAYMENT OPTION: FULL PAYMENT ☐ PART PAYMENT ☐																											
8A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SC/SSB to do all actions necessary to make the Application in the bid. 1) _____ 2) _____ 3) _____	BROKER / SC/SSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____																											
TEAR HERE																													
LOGO XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA _____	Bid cum Application Form No. _____ PAN of Sole / First Bidder _____ DPID / CLID _____ Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____																											
TEAR HERE																													
XYZ LIMITED - INITIAL PUBLIC ISSUE - R _____ _____ ASBA Bank A/c No. _____ Bank & Branch _____	Stamp & Signature of Broker / SC/SSB / DP / RTA _____ Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____																												

Application Form – For Non – Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS																											
	Address : _____ Contact Details : _____ CIN No. _____																												
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____																											
		Bid cum Application Form No.																											
TEAR HERE																													
SYNDICATE MEMBER'S STAMP & CODE SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO. _____ SCSE SERIAL NO. _____	BROKER/SCSB/DP/RTA STAMP & CODE BROKROW BANK/SCSB BRANCH STAMP & CODE PAN OF SOLE / FIRST BIDDER	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE / FIRST BIDDER _____																											
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Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)																					
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Amount Paid (₹)	_____	_____	_____																										
ASBA Bank A/c No. _____																													
Bank & Branch _____																													

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013 which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted

Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to an Offer.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLM may

decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

- (e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

- (b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) For Anchor Investors, if applicable, the Bid Amount shall be least Rs.10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Offer size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
- i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
- i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.
- (c) All Bidders (except Anchor Investors) can participate in the Offer only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1. Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by RTGS or NEFT.
- (c) The Anchor Escrow Bank(s) shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. Payment instructions for Bidders (other than Anchor Investors)

- (a) Bidders may submit the Bid cum Application Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.2 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Offer may block for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder (other than employees) may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.
 - ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.
 - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries –
 - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

- ii. name and address of the Designated Intermediary, where the Bid was submitted or
- iii. Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their Bids or withdraw their bids until Bid/Offer Closing date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No.	FOR RESIDENT INDIANS, INCLUDING RESIDENT OIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms. Address : Tel. No (with STDcode) / Mobile : E-mail :
SUBBROKER'S / SUBAGENT'S STAMP & CODE	SUBBROKER/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER :
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS : NSDL CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)									
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								
	(In Figures)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")									
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								
	(In Figures)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									

6. PAYMENT DETAILS		PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐	
Additional Amount Paid (₹ in figures) :		₹ in words) :	
ASBA Bank A/c No. :			
Bank Name & Branch :			
I/WE IN SIGNING THIS APPLICATION, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID REVISED BOOKING/STAMPING/ORDER PROCEEDURE AND THE GENERAL INFORMATION DOCUMENT FOR INITIAL PUBLIC ISSUES (GIDP) AND HEREBY AGREE AND CONFIRM THE UNDERTAKING AS GIVEN UNDER S.A.10.1 (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISED FORM GIVEN ON THE SLIP.			
7A. SIGNATURE OF SOLE / FIRST BIDDER		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the form	
		1)	
		2)	
		3)	

TEAR HERE

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.
DPID / CLID :		PAN of Sole / First Bidder :	
Additional Amount Paid (₹) :		Bank & Branch :	
ASBA Bank A/c No. :		Stamp & Signature of SCSB Branch	
Received from Mr./Ms. :			
Telephone / Mobile : Email :			

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="4">ASBA Bank A/c No. :</td> </tr> <tr> <td colspan="4">Bank & Branch :</td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Paid (₹)				ASBA Bank A/c No. :				Bank & Branch :				<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">Stamp & Signature of Broker / SCSB / DP / RTA</td> <td rowspan="2">Name of Sole / First Bidder :</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2"> </td> <td> </td> </tr> <tr> <td colspan="2"> </td> <td> </td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder :								
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Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 on a net basis. However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹200,000 (which will be less Employee Discount) only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (which will be less Employee Discount).
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable)) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable)) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that no additional amount is required for blocking Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Offer size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

- ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Offer
- (b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- (b) Applicants must specify only such Bank Account number maintained with the SCSB in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
 - (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
 - (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS &

ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the CRTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Offer Period, Bidders/Applicants may approach any of the Designated Intermediary to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

- (b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Offer Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the Designated Intermediary;
 - ii. the Bids uploaded by the Designated Intermediary; and
 - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- (b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUND FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- (c) Bids/Applications by OCBs;
- (d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) Bids/Applications by persons in the United States;
- (i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (n) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (r) Bids/Applications for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the RHP;
- (s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

- (t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (u) Bank account mentioned in the Bid cum Application Form may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Anchor Escrow Bank;
- (w) Where no confirmation is received from SCSB for blocking of funds;
- (x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;
- (z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of equity shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the Offer Price at or below such cut-off price, i.e., at or below Rs. 22.00. All bids at or above this Offer Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“**ASBA Account**”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (**“Maximum RII Allottees”**). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price

may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer subject to compliance with the following requirements:
 - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to Rs.10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 250 crores and an additional 10 Anchor Investors for every additional Rs. 250 crores or part thereof, subject to minimum allotment of Rs. 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Anchor Escrow Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Accounts, as per the terms of the Cash Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Cash Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act 2013, the Issuer may be punishable with a fine which shall not be less than Rs. 5 lakhs but which may extend to Rs. 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2)(b) of the SCRR. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
2. **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
3. In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Bid cum Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- i. **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- ii. **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- iii. **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and
- iv. **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Anchor Escrow Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working Days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in this Prospectus, the description as ascribed to such term in this Prospectus shall prevail.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Escrow Bank	Refer to definition of Banker(s) to the Offer
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer/Anchor Escrow Bank(s)/Collecting Bank(s)	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date

Term	Description
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Process/Book Building Process/Book Building	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges
BRLM(s)/Book Running Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Anchor Escrow Bank from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated Locations	RTA Such locations of the CRTAs where Bidders can submit the Bid cum Application Forms to CRTAs. The details of such Designated RTA Locations, along with names and contact details of the CRTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Anchor Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Anchor Escrow Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement

Term	Description
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act 2013, which did not have complete particulars of the price at which the Equity Shares were offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provision of the Articles of Association of our Company are detailed below.

The Articles of Association of our Company comprise of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall prevail. However, Part B shall automatically terminate and cease to have any force and effect from the date of receipt of final approval for listing and trading of the Equity Shares of the Company on the recognized stock exchanges in India subsequent to an initial public offering of the equity shares of the Company without any further action by the Company or by the Shareholders and Part A shall continue to be in effect.

PART A OF THE ARTICLES OF ASSOCIATION

Applicability of the Table F

Article 1 provides that the “The regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.”

Share Capital

Article 4 provides that “The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles”

Article 5 provides that “Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to compliance with Section 53 of the Act, at a discount as they may, from time to time, think fit and proper, and may also issue and allot Shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the conduct of its business and the Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.”

Article 6 provides that “Where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

- (a) persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (i) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in (i) shall contain a statement of this right; and (iii) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

Nothing in sub-Article (a) (ii) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any person to exercise the right of renunciation for a second time on the ground

that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

- (b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or
- (c) any persons, whether or not those persons include the persons referred to in (a) or (b) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act, if a special resolution to this effect is passed by the Company in a General Meeting."

Article 13 provides that "If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to general meetings shall mutatis mutandis apply."

Commission

Article 19 provides that "The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder."

Article 20 provides that "The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules."

Article 21 provides that "The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other."

Calls on Shares

Article 29 provides that "Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call."

Article 30 provides that "Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares."

Article 32 provides that "A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments."

Article 33 provides that "The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof."

Article 34 provides that "If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine."

Article 37 provides that "The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the member paying

such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to any calls on debentures of the Company.”

Lien

Article 47 provides that “The Company shall have a first and paramount lien on every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect. Fully paid-up Shares shall be free from all liens.

Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article.”

Article 48 provides that “The Company’s lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.”

Article 49 provides that “The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien, provided that no sale shall be made:

- (a) unless a sum in respect of which the lien exists is presently payable;
- (b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.”

Article 52 provides that “A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.”

Transfer of Shares

Article 53 provides that “The securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.”

Article 54 provides that “Subject to the provisions of the Act, these Articles and any other applicable law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 1 (one) month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.”

Article 55 provides that “Save as otherwise provided in the Act, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of shares, and is no such certificate is in existence, then the letter of allotment of the shares. Application for the registration of the transfer of a share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share be affected unless the Company

gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee on the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 days previous notice in accordance with the Act or any other time period as may be specified by law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.”

Article 56 provides that “No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.”

Transmission of Shares

Article 57 provides that “On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.”

Article 58 provides that “Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

- (a) to be registered as holder of the Share; or
- (b) to make such transfer of the Share as the deceased or insolvent Member could have made.

Article 59 provides that “The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.”

Article 64 provides that “If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.”

Article 65 provides that “The notice issued under Article 64 shall:

- (i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.”

Article 66 provides that “If the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 67 provides that “A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.”

Article 68 provides that “At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.”

Article 69 provides that “A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares.”

Article 70 provides that “The liability of such person shall cease if and when the Company shall have received

payment in full of all such monies in respect of the Shares.”

Article 71 provides that “A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the Share.”

Article 72 provides that “The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or otherwise disposed of.”

Article 73 provides that “The transferee shall there upon be registered as the holder of the Share.”

Article 74 provides that “The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.”

Article 75 provides that “The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.”

Alteration of Share Capital

Article 77 provides that “Subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:

- (a) consolidate or divide, all or any of the Share Capital into Shares of larger amount than its existing Shares;
- (b) convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;
- (c) sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or
- (d) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.”

Article 78 provides that “Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable law:

- (a) the Share Capital;
- (b) any capital redemption reserve account; or
- (c) any Share premium account.”

General Meetings

Article 80 provides that “An annual General Meeting shall be held each year within the period specified by the Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.”

Article 83 provides that “The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting

of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.”

Proceedings at General Meetings

Article 84 provides that “A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days’ notice either in writing or through electronic mode in such manner as prescribed under the Act, provided that a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety-five percent) of the Members entitled to vote at such meeting.

Notice of every meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by section 20 of the Act.”

Article 89 provides that “The chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the Company. If there is no such chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall choose one of the Directors present to be chairperson of the meeting.”

Votes of Members

Article 99 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

- (a) on a show of hands, every Member present in person shall have 1 (one) vote; and
- (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Share Capital.”

Article 106 provides that “No Member shall be entitled to exercise any voting rights either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.”

Proxy

Article 109 provides that “Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.”

Article 110 provides that “The proxy shall not be entitled to vote except on a poll.”

Article 111 provides that “The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.”

Article 112 provides that “An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.”

Directors

Article 114 provides that “Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution.”

Proceedings of the Board

Article 128 provides that “A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.”

Article 129 provides that “Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio visual means.”

Article 130 provides that “No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.”

Powers of the Board

Article 150 provides that “The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, managing director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.”

Article 151 provides that “Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.”

Borrowing Powers

Article 160 provides that “Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.”

Article 161 provides that “The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.”

Article 162 provides that “Subject to the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.”

Dividends and Reserves

Article 163 provides that “The Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.”

Article 164 provides that “Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.”

Article 165 provides that “The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.”

Article 166 provides that “Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.”

Article 168 provides that “All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.”

Article 170 provides that “Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such person and to such address as the holder or joint holders may in writing direct.”

Article 176 provides that “The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Unpaid Dividend of Eris Lifesciences Limited”. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.”

Capitalisation of Profits

Article 177 provides that “The Company in a General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in Article 178 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.”

Article 178 provides that “The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 179, either in or towards:

- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
- (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

- (c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.
- (d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
- (e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.”

Article 179 provides that “Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
- (b) generally do all acts and things required to give effect thereto.”

PART B OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association provide for, among other things, the rights of shareholders pursuant to the shareholders’ agreement executed with certain shareholders of our Company. For more details on the shareholders’ agreements, see “*History and Certain Corporate Matters – Material Agreements*” on page 131.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which were attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder were made available for inspection at our Registered Office, from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement dated February 8, 2017 entered into among our Company, the Selling Shareholders and the BRLMs, as amended by the amendment agreement dated May 25, 2017.
2. Registrar Agreement dated February 7, 2017 entered into among our Company, the Selling Shareholders and the Registrar to the Offer, as amended by the amendment agreement dated May 25, 2017.
3. Escrow Agreement dated June 2, 2017 entered into among our Company, the Selling Shareholders, the BRLMs, Escrow Bank(s), Public Offer Account Bank, Refund Bank and the Registrar to the Offer.
4. Share Escrow Agreement dated May 25, 2017 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated June 2, 2017 entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Underwriting Agreement dated June 21, 2017 entered into among our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer.

Other Material Contracts in relation to our Company

1. Shareholders' agreement dated August 26, 2011 entered into among our Company, Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Rajendrakumar Rambhai Patel, Mr. Inderjeet Singh Negi, Mr. Hetal Rasiklal Shah, Mr. Kaushal Kamlesh Shah, Mr. Rakeshbhai Bhikhabhai Shah, Mr. Bhikhabhai Chimanlal Shah and Botticelli, as amended by amendment agreement dated January 20, 2017.
2. Share purchase agreement dated November 23, 2016 entered into among our Company and Udane Limited, PharmaServ Ventures Private Limited, ZyduS Trading Company Limited, Ashok Gajanan Paigankar, Suneela Ashok Paigankar, Sameer Paigankar, PharmaServ Solutions Private Limited, Gayatri Desai and Rakesh Mangwana and share purchase and shareholders' agreement dated December 12, 2016 among our Company, Kinedex Healthcare Private Limited and Rakesh Dhuria, Anita Dhuria. Neeru Dhuria, Atul Arora and Rakesh Dhura & Son (HUF).
3. Tie-up agreement dated May 1, 2017 among our Company, Pharmanza Herbal Private Limited, Aeran Lab (India) Private Limited, Mr. Sanjeev Agrawal and Ms. Babita Agrawal, the deed of assignment of trademarks and deed of assignment of tradenames (with goodwill) each dated May 1, 2017 among our Company, Mr. Sanjeev Agrawal, Ms. Babita Agrawal and Aeran Lab (India) Private Limited and the deed of assignment dated May 1, 2017 among our Company, Mr. Sanjeev Agrawal and Ms. Babita Agrawal.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Certificates of incorporation dated January 25, 2007, February 9, 2007 and February 2, 2017.
3. Resolution of our Board of Directors dated February 2, 2017, authorizing the Offer and other related matters.
4. Consent letters of each of the Selling Shareholders authorizing their respective portions of the Offer for Sale.
5. Board resolution of the Investor Selling Shareholder dated January 13, 2017, approving its portion of the Offer.
6. Revised consent letter dated May 18, 2017 executed by Mr. Bhikhabhai Chimanlal Shah in relation to an increase in the Equity Shares offered by him in the Offer.
7. Letter dated May 18, 2017 executed by Mr. Rakeshbhai Bhikhabhai Shah in relation to the withdrawal of his consent to offer Equity Shares in the Offer.

8. Notice of termination of the Offer Agreement dated May 18, 2017, executed by Mr. Rakeshbhai Bhikhabhai Shah in relation to his withdrawal from the Offer.
9. Notice of termination of the Registrar Agreement dated May 18, 2017, executed by Mr. Rakeshbhai Bhikhabhai Shah in relation to his withdrawal from the Offer.
10. Copies of annual reports for the Fiscal years, i.e., Fiscals 2016, 2015, 2014 and 2013 and audited financial statements for the Fiscal year 2017.
11. The examination reports of the Auditors, Deloitte Haskins & Sells, LLP, Chartered Accountants, on our restated financial information included in the Red Herring Prospectus and this Prospectus.
12. Copy of the Eris Lifesciences Employee Stock Option Plan 2017.
13. Consent letters of the Auditors, Deloitte Haskins & Sells, LLP, Chartered Accountants, as referred to, in their capacity and for inclusion of their examination reports on our restated financial information and for inclusion of the statement of tax benefits in the form and context in which it appears in the Red Herring Prospectus and this Prospectus.
14. Consents of Bankers to our Company, the BRLMs, Registrar to the Offer, Bankers to the Offer, Escrow Banks, Refund Banks, legal counsels, industry data provider, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer as referred to act, in their respective capacities.
15. Employment agreements each dated April 1, 2016 together with respective amendment agreements each dated February 3, 2017 entered into between our Company and Mr. Amit Indubhushan Bakshi, Mr. Himanshu Jayantbhai Shah, Mr. Inderjeet Singh Negi.
16. Employment agreements each dated April 1, 2016 entered into between our Company and Mr. Rajendrakumar Rambhai Patel and Mr. Kaushal Kamlesh Shah.
17. The Statement of Tax Benefits dated May 23, 2017 from the Auditors, Deloitte Haskins & Sells, LLP, Chartered Accountants.
18. In-principle listing approvals dated February 27, 2017 and February 24, 2017 from BSE and NSE, respectively.
19. SEBI final observation letter dated April 28, 2017.
20. Tripartite Agreement dated January 25, 2017 among our Company, NSDL and the Registrar to the Offer.
21. Tripartite Agreement dated January 27, 2017 among our Company, CDSL and the Registrar to the Offer.
22. Due diligence certificate to SEBI from the BRLMs, dated February 8, 2017.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

_____ (Mr. Amit Indubhushan Bakshi) (Chairman and Managing Director)	_____ (Mr. Himanshu Jayantbhai Shah) (Executive Director)
_____ (Mr. Inderjeet Singh Negi) (Executive Director)	_____ (Dr. Kirit Nanubhai Shelat) (Independent Director)
_____ (Ms. Vijaya Sampath) (Independent Director)	_____ (Mr. Rajiv Gulati) (Independent Director)
_____ (Mr. Shardul Suresh Shroff) (Independent Director)	
SIGNED BY CHIEF FINANCIAL OFFICER _____ (Mr. Sachin Shah) (Chief Financial Officer) Date: June 21, 2017	

DECLARATION BY BOTTICELLI, AS A SELLING SHAREHOLDER

Botticelli certifies that all statements about or in relation to itself and the Equity Shares offered by it through the Offer for Sale in this Prospectus, are true and correct. Botticelli assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder in this Prospectus.

For and on behalf of Botticelli

Name: Veena Kunniath

Designation: Director

Date: June 21, 2017

DECLARATION BY MR. AMIT INDUBHUSHAN BAKSHI, AS A SELLING SHAREHOLDER

Mr. Amit Indubhushan Bakshi certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Amit Indubhushan Bakshi further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Amit Indubhushan Bakshi

Date: June 21, 2017

DECLARATION BY MR. HIMANSHU JAYANTBHAI SHAH, AS A SELLING SHAREHOLDER

Mr. Himanshu Jayantbhai Shah certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Himanshu Jayantbhai Shah further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Himanshu Jayantbhai Shah

Date: June 21, 2017

DECLARATION BY MR. INDERJEET SINGH NEGI, AS A SELLING SHAREHOLDER

Mr. Inderjeet Singh Negi certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Inderjeet Singh Negi further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Inderjeet Singh Negi

Date: June 21, 2017

DECLARATION BY MR. RAJENDRAKUMAR RAMBHAI PATEL, AS A SELLING SHAREHOLDER

Mr. Rajendrakumar Rambhai Patel certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Rajendrakumar Rambhai Patel further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Rajendrakumar Rambhai Patel

Date: June 21, 2017

DECLARATION BY MR. KAUSHAL KAMLESH SHAH, AS A SELLING SHAREHOLDER

Mr. Kaushal Kamlesh Shah certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Kaushal Kamlesh Shah further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Kaushal Kamlesh Shah

Date: June 21, 2017

DECLARATION BY MR. BHIKHABHAI CHIMANLAL SHAH, AS A SELLING SHAREHOLDER

Mr. Bhikhabhai Chimanlal Shah certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Bhikhabhai Chimanlal Shah further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Bhikhabhai Chimanlal Shah

Date: June 21, 2017

DECLARATION BY MR. HETAL RASIKLAL SHAH, AS A SELLING SHAREHOLDER

Mr. Hetal Rasiklal Shah certifies that all statements about or in relation to him and the Equity Shares offered by him through the Offer for Sale in this Prospectus, are true and correct. Mr. Hetal Rasiklal Shah further certifies that other than as stated in this Prospectus, all approvals and permissions, if any, required by him towards the Offer for Sale have been obtained, are currently valid and have been complied with.

Signed by Mr. Hetal Rasiklal Shah

Date: June 21, 2017