

**Secretary:** Good Morning and a warm welcome, Ladies and gentlemen. My name is Milind Talegaonkar and I am the Secretary of your Company. It is 11.05 a.m. now and we are ready to begin the proceedings of this meeting. I would like to let you know that the proceedings of this meeting are being recorded. During the meeting, the participants would be on mute. The requisite quorum of minimum 30 members is now available. I therefore declare this meeting open as advised by the Chairman. We are relying on technology to meet you through this new format of meetings and some disruptions can therefore be expected. Please bear with us. The Company has made all feasible efforts to enable the members to participate at this meeting through video conferencing facility. The capacity of this VC meeting is not less than 1000 participants and members will be allowed to join on a first come first serve basis. The statutory registers are kept open at this meeting and all the other documents referred to in the notice can be inspected in electronic mode. The other usual secretarial information has been depicted on one of the slides that you saw at the start of the meeting and it will be shown again at the end as well. The results of the voting will be announced by posting it on the company's website and Notice Board, RTA website and by way of notification on the stock exchanges. The Company had provided members the opportunity to cast their vote on the resolutions contained in the AGM Notice, by means of remote e-voting which commenced on 26<sup>th</sup> September, 2020 at 9.00 a.m. and closed on 28<sup>th</sup> September, 2020 at 5.00 p.m. Members present at the Annual General Meeting today may cast their votes through voting on e-voting platform as per instructions appearing in the Annual Report. The e-voting platform is now open for voting and will close after 30 minutes from the time of closure of this meeting. I hope the process is clear and in case of any doubts, you can always contact our Registrar and transfer Agent Linkintime for the required support. We will now briefly talk about the resolutions proposed to be passed at this meeting. We have five items of business for approval at this Annual General Meeting.

- The first item pertains to the approval and adoption of the Annual Accounts;
- The second item pertains to retirement and proposed re-appointment of Mr. Negi;
- The third item relates to the remuneration to be paid to the Cost Auditors

- The fourth and fifth item relates to regularisation of appointment of Mr. Kaushal Shah as a whole time Director and approval of the remuneration and its revisions from time to time.

Since we are holding the meeting in a new and unfamiliar format, I would like to explain the flow of this meeting. The Chairman will first brief you all about the noteworthy key achievements of your Company in the financial year 2019-20. He will then take-up queries that have been received in advance. If time permits, he will then take up the queries received subsequently or through the comments box on your screen. Members who have still not voted on resolutions are requested to cast their vote electronically as explained in the annual report.

Let me remind you that voting will close after 30 minutes from the time of closure of this meeting. I now handover the charge of the proceedings to the Chairman. Over to you Mr. Chairman.

**Chairman:** Thankyou Milind. Good Morning everybody. My name is Amit Bakshi and I will be chairing this meeting today. I extend a warm welcome to all of you present at this 14<sup>th</sup> Annual General Meeting of the Company. I hope that all of you are safe and are abiding by the rules. I would now like to give a few introductions. The called out participants may please acknowledge by raising their hand when I introduce them for the benefit of all our shareholders.

1. Mrs. Vijaya Sampath, Independent Director and Chairperson of Audit Committee and member of Nomination and Remuneration Committee
2. Mr. Prashant Gupta, Independent Director and Chairperson of Stakeholders Relationship committee and member of Audit committee, Nomination and Remuneration Committee and CSR committee
3. Mr. I. S. Negi, Whole-time Director
4. Mr. Kaushal Shah, Additional Director
5. Mr. Sachin Shah, the CFO;

We also have the Auditors M/s Deloitte Haskins & Sells LLP represented through Mr. Manoj Dama, Mr. Gaurav Shah and Mr. Ketan Majithiya and our Secretarial Auditors M/s Ravi Kapoor and Associates represented through Mr. Ravi Kapoor and his team who are also the Scrutinizers of the e-voting process for this AGM. They will scrutinize the voting results, finalize a report and submit the report within 48 hours to the secretary of the Company for further necessary actions.

There have been few changes in the Board since the last AGM. Dr. Kirit Shelat, Independent Director, has resigned from the Board effective from September,. Mr. Kaushal Shah has been inducted into the Board as an Additional Director in an executive role with effect from 4<sup>th</sup> August, 2020 and his regularisation and appointment as a Whole-time Director is being sought at the current AGM.

Lets talk about the business now. We can't talk about business while not mentioning the fact that we are undergoing the pandemic. And what is the impact of pandemic in your company first of all. So as all of us are aware that this pandemic has hit us out of the blue. You see the numbers increasing every day. It is basically a healthcare crisis. Therefore one has to understand that there would be large healthcare implications in this crisis. We are witnessing some of the implications of this pandemic, some of them will shrink over period of time and some of them will become a new normal.

Specially pertaining to our organization there are two three points which I would like to make..

Number 1 is that as you know our organization has 3 main therapeutic areas. One is diabetes, second is cardiology and the third is the nutrition. All these three put together contributes almost 80% of our revenue. So what has the pandemic changed? The pandemic has changed the way one looks at the healthcare conditions; specially from the diabetes and hypertension point of view because it has been widely popularised that people who have co-morbid conditions like diabetes, hypertension, neuropathy so on and so on are more susceptible to a greater effect of the pandemic than the rest of them. This has brought a lot of awareness among patients who are sitting on the fence. Hypertension as a disease is such that people remain on the fence for a long period of time. So what we are seeing today is that there is a greater sense of responsibility to treat one's own condition specially catering to these chronic conditions, therefore we experience

higher footfall of new patients in the clinics. We are seeing a great rise in the indicators like google search on what should I do in diabetes? What if I get diabetes? What if my hypertension is say 130, 90? So these are things which the industry together with the doctor fraternity had been trying to propagate over the last 4-5 decades but when we have our back to the wall that is probably when we learn the most.

So we have seen lot of awareness coming in these areas. The Second big awareness which is coming in is the understanding of the innate immunity. The understanding that there are micro-nutrients which are scientifically proven to build immunity. So the nutrition part of immunity is growing at a phenomenal pace and we expect that these changes are here to stay for a long period of time.. most of them. We have other indicators also, for example in a slowing economy in the last six months, if you look at the health insurance, the health insurance is rising like never before. There are different estimate which talk about the growths being 30% to 40%. We catch any end of the spectrum. From any end of the spectrum, these are at their peak. Now all these things which are happening today will surely make a huge impact in the overall healthcare. Please remember as a country we were only 50 % diagnosed and out of the diagnosed 50 %, we were treating hardly 30 % in a fair manner. So the condition will go away by action, by education, by economy growth. But this pandemic seems to catalyse, act as catalyst and will improve the growth going on forward. So this is more what we see at macro level, there is an increase in demand which we see in glucometer, blood pressure meter at different point of time preparing an ecosystem where people will be diagnosed early, people will get into treatment early and more importantly they themselves will chase the target. The targets are well defined global agencies of healthcare, large bodies have made the targets very clear. It is left on to us and our healthcare practitioners to put that into action and I think that time has come. Everything has its problems and merits as well. May be this pandemic will change lot of lives. In Times of India, I was reading, cardiovascular becomes the number one reason for death so this is as you all know America has gone through this. there cardiovascular death from last 1 decade has kept coming down so we think with these changes and awareness, we might now enter the path and if we have to enter the path then company like yours will have to be more forceful then ever in leading

this change. From a business point of view, you know last year our company grew by 9 % , the profit growth was not significant because of the reason that we have prepared ourselves for the next couple of years by adding more people, by adding some products and preparing ourselves. This year, we had one quarter out and second quarter we are closing today itself, things are looking bright. Our portfolio and our approach of being selective is now helping us out. Today your company largely depends on 15-16 brands which contributes more than 75-78 % of the sale. So on and all we are working quite diligently and this is the time to serve the large number of population to get to the next level of healthcare management. So that's how we see the business, the numbers are all there in the annual report but we at the HO are absolutely conscious of floor value creation and last year some profit growth has been far from satisfactory. We are trying to compensate for that and trying to get the company where it deserves. I must talk about Guwahati plant. So you know we are dependent by almost 80 % dependent on one plant which is in Guwahati. So we had been careful and because we understand healthcare assumingly better than an average person. We put some solid protocols in place. Right now we are working with less number of people, more number of shifts to make sure that there is no disruptions. We have a plan A and a plan B and a plan c also to make sure that everything happens. So we do voluntary testing almost every 15 days, whether there is a symptom or no symptom for entire everybody from full time employees to part time workers. All are subjected to test at a voluntary level so we are able to always remain safe and keep our people safe and not end up disrupting the supply chain. So I am happy to inform you that Guwahati has been working tirelessly and still continues to give even in this quarter more than to give us 80% of the requirement which is a good sign.

On the HR side, let me inform you that we were one of the Company which at an earlier stage got covid insurance for everybody so that even if you have to move out we do so with a greater sense of responsibility and we have taken care..in case of any worse case scenario happening. So having said that we also make sure that all of our guys have protective gears at all the times. We have also done a lot of education on what is the right distancing while in the call. We adapted to digital promotion and moved on from a visual aid promotion to a banner style promotion where

we are around 10 feet distant. So these are the changes we have done on promotion side. Of course today we are getting the advantages of what we did in last 3 years in expanding people. So expansion of people in first year might have been engraved on revenue but that's one of the solid way of growing so as more and more sales will happen, we see the productivity going up. Zomelis is another thing which I need to discuss here, you know we have acquired this brand from Novartis last year and paid roughly around 90 crores, as I told in several investor meeting that we are well on track. Our 40-45 crore kind of a brand in the first year, if that happens then our franchise in diabetes will only get stronger and we will have now more than 7 brands in that category. I must also mentioned that we have taken good strides as far as giving money back to the shareholders is concerned. It happened in two tranches last year. One was the buy back and the other was dividend. Going back to our philosophy that we will continue to pay out money to shareholders. Of course the larger part of the money will stay in for growing business, and for potential acquisitions. Having said that we will endeavour to pass on the money to shareholders on yearly basis at-least 20 %. So in my deliberation, in my speech today I have covered almost all the queries which the secretary has send to me. Milind, is there anything else to cover?

Secretary: no, nothing more.

CMD: That concludes the Q&A session and it also brings us towards the end of this meeting. My sincere thanks to all shareholders; special thanks to the members of the medical fraternity who are serving the community and saving lives in these testing times; our distributors and all others associated of Eris. On behalf of your Company, I gratefully acknowledge the support received from all regulatory and government agencies. I also thank all the employees of the Company.

Thanks to all of you present at this meeting for your cooperation in conducting this meeting. As there is no other business, I declare the meeting as closed. Stay safe and take good care of your health. Thank you so much

Secretary: thank you

