

TERMS AND CONDITIONS OF SALE

These Terms and Conditions of Sale are effective as of April 2, 2014, govern the sale of any product in Canada by Dr. Reddy's Laboratories Canada Inc. ("DRL"). Notwithstanding anything contained herein and without in any way limiting the generality of the forgoing, DRL, at its sole discretion, may grant exceptions to these requirements. Order placement by the Purchaser shall be considered acceptance of these Terms and Conditions.

ACCEPTANCE OF ORDERS

All orders are subject to acceptance by DRL which acceptance shall be indicated within five (5) business days and DRL has complete discretion in accepting or rejecting all or any part of an order, without any liability to Purchaser. No terms and conditions of any letter, Purchaser purchase order, invoice or other document submitted by Purchaser in connection with an order, even if such order is accepted by DRL, will amend, add to, vary or modify these Terms and Conditions. No failure by DRL to object to such terms or conditions shall be deemed to be a waiver of this provision. DRL reserves the right to amend, modify or revise these Terms and Conditions from time to time and such amended, modified or revised Terms and Conditions shall apply to any products ordered after such amendments, modifications or revisions.

DISTRIBUTION, TRANSPORTATION AND HANDLING

DRL will arrange for shipment of the goods, and the shipment shall comply with all of DRL's recommendations relating to the shipment of the goods. All shipments shall be made FOB Destination and risk of loss shall pass to Purchaser upon delivery to Purchaser's destination.

All product is presumed to be in good condition when shipped and should be inspected immediately upon receipt. Any claims or discrepancies in quality or quantity must be reported to DRL within ten (10) days of delivery. Any shipment or tender made within the Purchaser's usual time for shipment shall constitute a good delivery or tender.

Any orders deemed as rush are subject to a handling charge. Special delivery instruction may also incur additional delivery charges. Upon the Purchaser's request, DRL shall assist in providing documentation of proof of delivery. Product invoiced and held by the DRL for whatever reasons shall be held at the Purchaser's risk and expense.

BREAKAGE, SHORTAGE AND DAMAGE OF PRODUCT DURING SHIPMENT

Upon arrival, all shipments should be examined carefully. Purchaser must observe instructions stated on each carton. All Products must be used, stored, handled and transported in accordance with the specific conditions contained in the Product Monograph. Avoid storing finished goods near radiators, steam pipes, or in direct heat of sun.

DRL shall not be responsible for failure or delays in delivery, resulting from strikes, acts of God, inability to obtain materials, or any others causes beyond DRL's control.

It shall be the Purchaser's responsibility to report claims to DRL's within ten (10) business days of receipt. Damaged product must remain intact, with original label, seals and in the original carton. Any claim relating to product purchased, terms of purchase, allowances or merchandising credit (s), or other alleged financial obligation of DRL to Purchaser, (whether known or unknown) must be presented to DRL within ninety (90) days of receipt of Product or shall be forever waived by Purchaser. All Product returns/claims and the foregoing shall be made pursuant to DRL's Return Goods Policy in effect at the time of return.

Under no circumstances shall DRL be liable to the Purchaser/Customer or any other person for any punitive, special or consequential damages, arising out of or related to this Agreement including whether based upon lost goodwill or lost profits and whether arising out of breach of warranty, breach of contract, negligence or otherwise even if the other party has been advised of the possibility of such damage.

PRICING

All pricing is subject to change without notice. Orders will be invoiced at the prices in effect at the time of the order. No price adjustment shall be made on any previous orders. In the event of incorrect pricing charged or pricing claims, no credit shall be issued beyond ninety (90) days of Product delivery date. Prices exclude any applicable federal, provincial or other government taxes, charges or levies. Any such amount DRL may be required to pay and/or collect under existing and future law shall be added to the invoice.

PAYMENT AND CREDIT TERMS

Purchaser will pay to DRL all invoiced amount including all applicable federal, provincial or other government taxes, charges or levies. Payment is due thirty (30) days from the date of the invoice. Payment must be made in full as per the Invoice instructions. Payment will be recognized when received by DRL or its authorized agent. Any and all discount terms are at the discretion of DRL. Discount terms shall be at the based on net Invoice total, not gross.

CREDIT TERMS

DRL reserves the right to refuse credit terms to any Purchaser. DRL may charge an amount equal to 1.5% (18% annually) on the amount of any unpaid balance calculated from the date that payment is due until FULL payment is received. Such interest rates are subject to change based on prevailing rates and without notice. DRL reserves the right to immediately suspend any granted credit terms or refuse future sales to the Purchaser, at its sole discretion in reason of belief the Purchaser is or intends to breach these Terms and Conditions. Purchaser shall not make any deductions or offsets of any kind from payments due to DRL.

BACK ORDERS

Back orders shall be cancelled sixty (60) days from date of order if Product remain unavailable.

NO EXPORT

The Purchaser agrees not to sell/export the goods/ product purchased hereunder outside of Canada or sell to the goods/products to any third party that the Purchaser knows or ought to have known is or intends to sell/export the goods/products outside of Canada.

APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein without regard to principles of conflicts of law. The parties attorn to the exclusive jurisdiction of the Courts of the Province of Ontario.

ENGLISH LANGUAGE

The parties hereto confirm that it is their wish that these Terms and Conditions, as well as all other documents relating hereto, be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tout avis, qui s'y rattachent, soient rédigés en langue anglaise.