



BETA DRUGS LIMITED

“15th Annual General Meeting”

September 30th, 2020

CORPORATE PARTICIPANTS:

Mr. Vijay Kumar Batra

Chairman-cum-Managing Director

Mr. Rahul Batra

Whole-time Director

Mr. Varun Batra

Whole-time Director

Mr. Balwant Singh

Whole-time Director

Mrs. Seema Chopra

Whole-time Director

Mr. Manmohan Khanna

Independent Director and Chairman of audit committee

Mr. Lajpat Rai Kalra

Statutory auditor

Mr. Dinesh Bhandari

Secretarial auditor

Other key executives and senior management and Shareholders.

Welcome address - Rajni Brar (Company Secretary)

Good afternoon, everyone!

I, Rajni Brar, Company Secretary, welcome all the Directors, Shareholders and other Stakeholders who have joined the 15th Annual General Meeting, through video conferencing. Due to the spread of Coronavirus and social distancing norms, we, for the first time are holding this meeting through video conference, which is in compliance with the directions issued by the Ministry of Corporate Affairs, Government of India and Security and Exchange Board of India.

I take this opportunity to introduce the Director of your company and attendees present in the meeting:

Mr. Vijay Kumar Batra, Chairman-cum-Managing Director of the company;

Mr. Rahul Batra, Whole-time Director of the company;

Mr. Varun Batra, Whole-time Director of the company;

Mr. Balwant Singh, Whole-time Director of the company;

Mrs. Seema Chopra, Whole-time Director;

Mr. Manmohan Khanna, Independent Director-cum-Chairman of audit committee;

Mr. Lajpat Rai Kalra, Statutory auditor;

Mr. Dinesh Bhandari, Secretarial auditor.

Due to some circumstances, Mr. Rohit, Independent Director of the company, has not been able to join the meeting through video conferencing.

Now I request Mr. Vijay Batra, Chairman of the company to take chair. All the statutory registers are open and accessible to any member during the course of the meeting and available on the website of the company.

The company had provided an opportunity to shareholders to become speaker at this AGM by registering their name as the speaker shareholder, but the company has not received any speaker shareholder registration for this Annual General Meeting. In compliance with the MCA circular, the company has provided to shareholders the facility to exercise their right to vote on the business items to be transacted at the meeting by polling paper and send the same through email after the conclusion of the meeting.

The requisite quorum is present, therefore, proceed with the meeting. Now I request Chairman of the meeting to commence the AGM of the company.

Vijay Kumar Batra:

Good afternoon, ladies and gentlemen! I welcome the members to 15thAGM of the company. I authorize, Mr. Varun Batra, Whole-time Director of the Company to start the meeting. Thank you!

Mr. Varun Batra:

A very good afternoon, everyone, and I welcome everyone to my all the team of shareholders, I welcome all the members in this 15th Annual General Meeting of the company. And I'm delighted to interact with you. I trust your family and you are keeping well in the middle of this pandemicCovid-19. As we all are aware that the government and industries all are fighting together to revive and rebuild this economy in this challenging situation.

Let me tell you, my friends, your company is also closely monitoring the outbreak of this virus. And the company has implemented a number of measures to protect our employees, communities and operations so that the supply and the movement of the materials, as well as the services to the customers, that the customers and the society depends on, the company should be less impacted.

Thank you, now, I request, Mr. Rahul Batra, our Whole-time Director of the company, to give an overview of the business performance of our company for this financial year, 2019-20.

Rahul Batra:

Good afternoon, everyone! Good afternoon, ladies and gentlemen! Thank you Varun!

It gives me great pleasure to welcome you all to the 15th Annual General Meeting of Beta Drugs Limited. I would have very much like to meet and address you in person. But as you know, we are holding this meeting over a virtual platform due to the prevailing, unprecedented circumstances. I would like to thank you for sparing the time to join us today from wherever you are and for you for your continued faith in Beta Drugs and its management. I hope you and your family members are remaining healthy and staying safe.

During the year, the company reported consolidated revenue of 9121.61 lakhs while profit after tax was 941.51 lakhs. In addition to this company's EBITDA increase from Rs 1218 lakhs to Rs 1832 lakhs. In the last six months, the company has tried hard to improve its cash flows.

The net debt has reduced by approximately 2 (two)crores. Your company has also reduced its interest costs by 150 basis point. To start to this fiscal was really challenging due to Covid-19 lock down for one and a half months. However, I'm glad to share that your company in these tough times expects to register decent growth in the first six months ending today as compared with the same period last year. The company has taken many initiatives during this lock-down, which we believe will help going forward.

So I'll take on certain parameters, to discuss our growth perspectives that the first parameter is the TKIs to drive the domestic market growth. BDL has ventured into fast growing targeted therapy market with 'Tyrosine Kinase Inhibitors', which account for 20 % to, 25 % of the total oncology market in India, and the new drug delivery systems that's called NDDS. The company plans to launch approximately 16 new TKIs out of which 8 TKIs are going off-patent in the next two years and have current market size of more than 400 crores, which is growing in double digits annually.

I'm happy to announce that Beta Drugs has developed in-house portfolio of 3 (three) TKIs in the last financial year that has been done, which is, Dasatinib, Adtrinib, which is Sorafenib, Hertinib, which is Lapatinib. And along with it, the company has done that new technology and advancements in the current molecules, which is Gemcitabine, we have made it to ready to use and Docetaxel, of course, ready to use as well. We are glad to announce launch of first Indian generic brand of Dasatinib, in the name of BEEDAN that just put a company on a leadership ladder for the molecule. To provide the best quality and yet make drugs affordable.

Company intends to manufacture both API and formulation in-house for all the new molecules. We have also recently launched a Bexinib which is Axitinib, only the second company in India to launch this product and now in the process of launching two more TKIs next month. Those are Ibrutinib and Enzulutamide. Company has also come up with a new production facility, small facility, for pre-filled syringes. BDL is also strengthening its market share of existing molecules by setting up a manufacturing facility of pre-filled syringe, which will commercially commence by the end of October.

It will help us to improve the product lifecycle of existing products by providing advantage of patient compliance, ease of use, eliminating dosing error and less wastage for these expensive drugs.

The addition of this line will give your company an edge over its competitors and will position the company as one of the very few with complete range of oncology product that includes orals, both capsules, tablets, injectables, Earlier, we had liquids - lyophilized, now we have added pre-filled syringes.

So coming out to the exports, which are our main focus area for high margin business, BDL is focused on building a robust and high margin export business for which it has built a strong export sales team led by pharma professional(s) with experience of 25 years in Oncology.

Company's Uzbek franchise is also shaping up well. Its 12 injectables have got registered and has received its first export order.

Company's current business from Nepal, Myanmar and Sri Lanka has also increased as many products have been registered this year. Further company has also got approvals from Ethiopia, Tanzania, Honduras, Syria and company has started its product registration process in these respective countries. Company also expects very good volume from these particular countries in the financial year 2021-22. Regarding PICs certification, company is aggressively working on filing the dossiers in Malaysia and further triggering the inspection by first half of next year. Almost all the documentation pertaining to filing is completed. This will enable us to enter many regulated markets like Malaysia, Thailand, Vietnam, Latin America, South Africa and CIS.

So to conclude, on behalf of the Board and Management, I would like to thank all our shareholders, customers, distributors and other stake holders for their continuous support and trust. And a special thanks to all our team members for their sheer hard-work and commitment which has helped the company to deliver a strong performance.

Now with the permission of the members, the notice convening the meeting be taken as read and I direct the Company Secretary to proceed with the meeting.

Thank you all.

Rajni Brar:

Proceeding with the agenda item for consideration and approval of the members:-

ORDINARY BUSINESS,

1. Adoption of financial statement:

- (i) Audited standalone financial statement of the company for financial year ended on 31st March 2020 and the report of the Board of directors and Auditors thereon, and
- (ii) Audited consolidated financial statement of the company for the financial year ended on 31st March 2020 together with the report of the auditors thereon.

With the permission of members, audited standalone and consolidated accounts for the financial year 19-20, director's report and auditor's report thereon already sent to the member be taken as read and company has not received any query from any shareholder pertaining to accounts to be adopted for financial year 19-20. Therefore, following resolution is passed –

“RESOLVED THAT the audited standalone and consolidated financial statement of the company for the financial year ended 31stMarch 2020 together with the directors and auditors report there on as circulated to the member be and hereby approved and adopted.”

- 2. **To appoint a director in place of Mr Rahul Batra who retire by rotation and being eligible, offer himself for re-appointment.**

“RESOLVED THAT Mr. Rahul Batra who retire by rotation but being eligible has offered himself to be reappointed as the Director of the company be and is hereby appointed as a Whole-time director of the company liable to retire by rotation.

SPECIAL BUSINESS:

- 3. **Remuneration to cost auditor for the financial year ended 31st, March 2021**

To consider and if thought fit to pass the following resolution as an ordinary resolution,

“RESOLVED THAT pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any modifications or re-enactment thereof for the time being in force), the company hereby approved the remuneration of **Rs.1,00,000/- (Rupees One Lac Only)** with reimbursement of conveyance expenses at actual and GST as applicable, as approved by the Board of Directors, payable to **M/s Charu Jindal & Co, Cost Accountants**, bearing Firm Registration Number **103508**, appointed by Board of Directors to carry out audit of Company's cost records for year ending **31st March 2021**”.

“RESOLVED FURTHER THAT Mr Vijay Kumar Batra, (DIN:01083215) Chairman cum Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable for the purpose of giving effect to this resolution.”

Members are requested to cast their vote through polling paper annexed with annual report already sent to them and email the same to us at: cs@betadrugslimited.com. Voting will remain open for 15 minutes from the conclusion of meeting.

On behalf of the board, I would like to thank all the member for attending this Annual General Meeting of the Company and making this meeting a success.

I also thank the Chairman and other Directors for sparing their valuable time to attend this Annual General Meeting. The members who have posted question in the chat box during the meeting, they are requested to send the same by email to the company. We will reply the same.

Now, we have received some questions from Shareholders. I request Mr. Rahul Batra, to answer the same. Thank you!

Rahul Batra:

We have identified two questions to be answered which can cover most of the concerns.

The first major question which was which had been asked now is does the company have its dependence on China for sourcing of intermediates?

The reply to this is: Earlier, our intermediate procurement from China was close to 80% which has now come down to 30% as company has tied up recently with some of the local manufacturers in India to produce the same intermediates at a very attractive prices. This change has happened in the last one or two months where the sourcing has become more feasible from India.

The second question which has been a major question and has been asked many times. So this question has again been put up. The current status of PICs and EU-GMP approval.

As stated earlier in my speech, we have initiated the process of filing of PICs for Malaysia. The documentation is almost complete. Application for inspection will be filed in October and we expect that we might have an audit in the first half of next year that is 2021 depending on the Covid situation post which we will be filing for EU-GMP. We expect to complete everything by next year depending upon how the Covid situation span out.

Request, Mr. Varun Batra to put a word of thanks.

Thank you!

Mr. Varun Batra:

Once again, I would like to thank you everyone our stakeholders to attending this general meeting and making it a very good success. We would like to assure our all stakeholders that we will leave no stone unturned to make your company Beta Drugs a great success, Further I wish everyone, I pray for everyone to be happy. I pray, be safe.

Thank you! Thank you once again!
