



# GLAND PHARMA LIMITED

August 30, 2024

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers  
25<sup>th</sup> floor, Dalal Street  
Mumbai - 400 001  
Scrip Code: 543245

National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza, 5th floor  
Plot no. C-1, Block G, Bandra Kurla Complex  
Bandra (East), Mumbai - 400 051  
Symbol: GLAND (ISIN: INE068V01023)

Dear Sir/Madam,

**Sub: Proceedings of the 46<sup>th</sup> Annual General Meeting of the Company**

We hereby notify you that the 46<sup>th</sup> Annual General Meeting (AGM) of the Company was held on Friday, 30<sup>th</sup> August 2024 at 11:00 A.M. through Video Conferencing / Other Audio-Visual Means (OAVM).

In compliance with the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following:

1. Speech and Presentation by Mr. Srinivas Sadu – Executive Chairman & CEO enclosed as Annexure A
2. Proceedings of the AGM enclosed as Annexure B

This is for your information and records.

Yours truly,

**For Gland Pharma Limited**

**Sampath Kumar Pallerlamudi**  
**Company Secretary & Compliance Officer**

**Encl:** Annexures A & B



## Annexure A

### **Forty-Sixth Annual General Meeting**

**Friday, 30<sup>th</sup> August, 2024**

#### **Address by Mr. Srinivas Sadu – Executive Chairman & CEO**

Good morning, ladies and gentlemen. On behalf of the board of directors of Gland Pharma Limited, I cordially invite each one of you to the 46<sup>th</sup> Annual General Meeting of the Company. This meeting is being held through video conferencing and other audio-visual mode. We comply with the regulatory requirements of Securities and Exchange Board of India.

The Company has taken all possible steps to ensure that the shareholders are provided with an opportunity to participate at the Annual General Meeting and also to vote. We are very much pleased to have your virtual presence here together with us today.

#### **Presentation by the Executive Chairman and CEO**

It's with great pleasure that I kick off this address by highlighting the remarkable success your company achieved in closing out the fiscal year 2023-24. This milestone is particularly noteworthy considering the various industry challenges we encountered that impacted our business on multiple fronts. We're proud of our ability to rebound from a challenging previous fiscal year, a testament to the solid foundation we've meticulously cultivated over time.

As we look ahead, we remain optimistic about the future and the abundant opportunities it presents. We have strategically designed our business model to capitalise on these opportunities, accelerating growth and expanding our capabilities.

Now, let's delve into a brief presentation that outlines the strategies we've embraced to ensure your Company continues to seize opportunities while confidently upholding our unwavering commitment to sustainability.

#### **I shall begin by giving you a broad profile of your Company...**

Gland Pharma has a firm global imprint, with a presence in over 60 countries worldwide. We offer an extensive portfolio of injectable formulations across delivery systems. We cover a wide range of therapeutic segments, including sterile injectables, oncology, and ophthalmic, amongst others. We have also engaged in the development of complex molecules like peptides, long-acting injectables, suspensions, and hormonal products.

We have seven world-class manufacturing sites in India and four in Europe, all of which adhere to stringent global regulatory standards in quality. For our strategic products, we have backward integration with the manufacturing of APIs, which enables effective control over sourcing, supply chains, cost efficiency, and agility to meet evolving market demands.



Our core business revolves around a 'Business-to-Business' (B2B) and CDMO model for regulated and emerging markets globally, as well as a 'Business-to-Customer' (B2C) model tailored for the Indian market.

I shall now briefly touch upon the key highlights of FY 2023-24...

As I look back at the year, I would say in retrospect that it gave us ample reason to cheer. Our overall financial performance reflected positive momentum, with strategic measures poised for promising future growth. Overall, we obtained stable results in terms of both financial and operational performance.

One of the key highlights of the year was our strategic acquisition of Cenexi, a French Contract Development and Manufacturing Organisation (CDMO) with four world-class manufacturing facilities in Europe.

### **Our 'Consolidated Business' Financial Performance**

Our Revenue surged to Rs 56,647 Mn, up 56% over the previous FY. This was enabled by consistent performance across markets, increased shipment volumes at stable prices, and the introduction of new products.

EBITDA grew to Rs 13,331 Mn, up 30% YoY, propelled by robust operational efficiencies. EBITDA margin stood at 24%, compared to 28% in the previous year.

PAT stood at Rs 7,725 Mn (with a PAT margin of 14%). Our strategic growth blueprint is anchored on enhancing profitability and margins.

During the year, our manufacturing sites operated smoothly, allowing us to produce top-quality injectables while maintaining strict compliance. We undergo around 40 audits in a year from regulators and partners, and we're confident in our ongoing commitment to upholding these high standards.

We're proactively preparing our business for the future, not just in terms of capabilities and capacity but also by exploring strategic long-term investments. These investments aim to sharpen our competitive manufacturing edge and meet the growing demand for our approved products. This involves upgrading existing lines with high-speed fill-finish lines and implementing automation to enhance efficiency. In the current fiscal year, we have dedicated INR 3,975 Million towards the capital expenditures.

We invested Rs 1,774 Mn in innovative R&D, filed 19 ANDAs, and obtained approval for 24. As of 31 March 2024, we have submitted 349 ANDAs in the US in collaboration with partners; 286 of them have been approved, and 63 are pending approval. We currently hold 1,667 product registrations worldwide.



We are also developing 19 complex molecules, addressing a market of USD 9 Bn as per IQVIA. We have secured six approvals to date, with four of them (one being Eribulin) already making their market debut. The next two years will see impressive market growth in our complex product portfolio, which is being fast-forwarded by acquisitions, co-development, and in-licensing agreements.

Lastly, biologics will be one of the key drivers for our future growth. We are securing regulatory approvals for our dedicated facility through existing business channels and potential near-term achievements.

### **Our 'Base Business' Financial Performance**

In our base business (excluding Cenexi), revenue from operations was Rs 41,769 Mn, up over 15% from the previous year. Our EBITDA margin, at 38%, was 4% higher than in the previous year, largely driven by the successful introduction of new products, new partnerships, relaunches, and sustained market leadership in existing products.

- Our Revenue from our **core market** (US / Europe / Canada / Australia / New Zealand) saw a 21% YoY growth, contributing 78% of our Total Revenue, and the US, our largest market, grew 24% YoY. We launched over 50 new molecules and relaunched over 30. Our key products showed robust growth without too many price fluctuations. We are confident we can sustain our competitive edge in this market. In our core market, other than the US, we have identified products from our US portfolio that are conducive to entry into these regions.
- Our **Rest-of-the-World (RoW) market** contributed 16% of our Revenue, with encouraging growth for some products. A few recently launched ones promise good growth in the next 2-3 years.
- Our **Indian market** grew to contribute 6% to our Revenue, with our focus remaining on key products, for which we are seeking strategic options to enhance value creation.

### **On Cenexi Performance FY24**

Cenexi is currently going through a transitional phase, and we have initiated a comprehensive plan to address the recurring operational challenges through investments in asset upgrades, capacity rebalancing, and implementation of future-ready capabilities. While all these issues had predictably caused a temporary negative financial performance during the year, Cenexi will soon emerge as a strong strategic pillar for us in the years ahead, bringing complementary technical and operational capabilities with its speciality products and injectables that will open up a significant market for us in Europe and elsewhere.



The company has a good current clientele, with a solid order book of new programs in various stages of tech transfer. This will give us a medium-term incremental increase in our revenue base. We are working on a long-term business goal to identify opportunities to capitalise on the combined capabilities of Gland Pharma and Cenexi.

### **Our Strategic Roadmap**

We shall maintain our growth momentum through a multi-pronged approach:

- Expanding our presence globally, with a strategic focus on the US, Europe and RoW markets.
- Advancing our portfolio through strategic in-licensing / complex development / co-development
- Fortifying our CDMO in Biologics in recognition of this sector's growing demand worldwide.
- Integrating ESG considerations into our core business strategy

### **On 'Environment, Social and Governance' (ESG)**

We are pleased to share the remarkable strides we have made in our Environmental, Social, and Governance (ESG) initiatives. We firmly believe that our success is intertwined with the well-being of our communities and the planet we share.

In the realm of education, we have touched the lives of over 51,000 students through various programs, served 2.6 million nourishing breakfast meals to government school children, and invested significantly in upgrading school infrastructure. We believe that education is the cornerstone of a brighter future, and we are committed to empowering the next generation.

On the health front, we have extended our care to over 1,790 students through our Comprehensive Health Plan in government hostels. We recognise that good health is essential for a fulfilling life, and we are proud to contribute to the well-being of our youth.

Our commitment to the environment is unwavering. We have significantly reduced our carbon footprint by transitioning to cleaner energy sources, resulting in a 32% reduction in furnace oil consumption and a 28% reduction in high-speed diesel usage. By achieving 100% water recycling across our facilities, we have conserved a remarkable 169,747 kiloliters of water. We remain vigilant in managing hazardous waste and have allocated substantial resources to environmental initiatives. Furthermore, we have planted over 16,000 trees, contributing to a greener and more sustainable future.

Our support for tiger conservation efforts underscores our dedication to preserving biodiversity. And right here in Pashamylaram, our solar panels now fulfill 80% of the energy needs of our Corporate Office and R&D Centre, showcasing our commitment to renewable energy.



These achievements are a testament to the collective efforts of our dedicated team, our valued partners, and the communities we serve. We understand that ESG is not just a responsibility but an opportunity to create lasting value for all stakeholders.

We are happy to inform you that the Board of Directors has recommended the Company's first dividend post listing of Rs. 20/- per equity share, and it has been put up for your approval. The future beckons us with promise. Harnessing our core strengths – which include our differentiated business model, focus on operational efficiencies and innovation, and commitment to stringent quality and compliance – we shall navigate the challenges that lie ahead, sustain our growth, and continue to create good value for all our stakeholders.

I am truly grateful to the Company's Board and Management, whose helpful and timely professional guidance has been invaluable, especially during our turbulent phases.

Equally important have been our shareholders, communities, customers, vendors, and other stakeholders.

I am particularly proud of our dedicated employees, whose collective spirit and work ethic have been the mainstay of our company's progress and sustainability.

Thank you, ladies and gentlemen! Thank you for your time!

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# Accelerating Growth Expanding Capabilities



**Gland Pharma Limited**

**46<sup>th</sup> Annual General Meeting**

**Srinivas Sadu**

*Executive Chairman and CEO*

**30<sup>th</sup> August 2024**



# Introduction



# Group Financial Highlights FY24



INR Mn.

GLAND PHARMA LIMITED

## Group P&L

Particulars	FY24	FY23	Y-o-Y
Revenue from operations	56,647	36,246	56%
Gross Profit	34,916	19,392	80%
Gross Profit Margin	62%	54%	
EBITDA	13,331	10,248	30%
EBITDA Margin (%)	24%	28%	
Exceptional Item	-	565	-
PBT	11,325	10,546	7%
PBT Margin (%)	20%	29%	
PAT	7,725	7,809	-1%
PAT Margin (%)	14%	22%	

## Group Market Wise Performance

Particulars	FY24	FY23	Y-o-Y
USA	30,375	23,956	27%
Europe	10,648	1,870	469%
Canada, Australia & New Zealand	1,575	1,025	54%
India	2,810	2,501	12%
Rest of the world	11,239	6,894	63%
<b>TOTAL</b>	<b>56,647</b>	<b>36,246</b>	<b>56%</b>

## FY24 Highlights

- Revenue: INR 56,647 million
- Gross margin: 62%
- EBITDA: INR 13,331 million, EBITDA Margin (%) : 24%
- PAT : INR 7,725 million, PAT Margin (%) : 14%
- Over 50 new molecules were introduced, including 30+ relaunched molecules.
- We invested Rs 1,774 Mn in innovative R&D, filed 19 ANDAs, and obtained approval for 24.
- As of 31 March 2024, we have submitted 349 ANDAs in the US in collaboration with partners; 286 of them have been approved, and 63 are pending approval. We currently hold 1,667 product registrations worldwide.
- We are also developing 19 complex molecules, addressing a market of USD 9 Bn as per IQVIA. We have secured six approvals to date, with four of them (one being Eribulin) already making their market debut. The next two years will see impressive market growth in our complex product portfolio, which is being fast-forwarded by acquisitions, co-development, and in-licensing agreements.

# Base Business (Ex-Cenexi) Performance FY24

## Base Business (Ex-Cenexi) P&L

Particulars	FY24	FY23	Y-o-Y
Revenue from operations	41,769	36,246	15%
Gross Profit	23,567	19,392	22%
Gross Profit Margin	56%	54%	
EBITDA	14,142	10,248	38%
EBITDA Margin (%)	34%	28%	
Exceptional Item <sup>(3)</sup>	-	565	-
PBT	14,109	10,546	34%
PBT Margin (%)	34%	29%	
PAT	10,456	7,809	34%
PAT Margin (%)	25%	22%	

## Base Business (Ex-Cenexi) Group Market Wise Performance

Particulars	FY24	FY23	Y-o-Y
USA	29,780	23,956	24%
Europe	1,555	1,870	-17%
Canada, Australia & New Zealand	1,100	1,025	7%
India	2,810	2,501	12%
Rest of the world	6,524	6,894	-5%
<b>TOTAL</b>	<b>41,769</b>	<b>36,246</b>	<b>15%</b>

## FY24 Highlights

- Revenue: INR 41,769 million
- Gross margin: 56%
- EBITDA: INR 14,142 million, EBITDA Margin (%) : 34%
- PAT : INR 10,456 million, PAT Margin (%) : 25%
- Our Revenue from our core market (US / Europe / Canada / Australia / New Zealand) saw a 21% YoY growth, contributing 78% of our Total Revenue, and the US, our largest market, grew 24% YoY.
- Our key products showed robust growth without too many price fluctuations. We are confident we can sustain our competitive edge in this market. In our core market, other than the US, we have identified products from our US portfolio that are conducive to entry into these regions.
- Our Rest-of-the-World (RoW) market contributed 16% of our Revenue, with encouraging growth for some products. A few recently launched ones promise good growth in the next 2-3 years.
- Our Indian market grew to contribute 6% to our Revenue, with our focus remaining on key products, for which we are seeking strategic options to enhance value creation.

## **FY24 (11 months) Highlights**

- Revenue: INR 14,878 million / Euro 166 million
- Gross margin: 76%
- EBITDA: INR -812 million / Euro -9 million

## **Key Updates**

- Revenue declined primarily due to operational disruptions and breakdowns which caused high order backlogs.
- Delayed tech transfer further impacted further scale up of revenue, as new business was intended to replace phasing-out business.

## **Turnaround plan:**

- Cenexi is currently in a transitional phase, facing short-term operational challenges that are impacting performance. The Company is facing frequent breakdowns, and a high proportion of low-margin products.
- Gland initiated a comprehensive transformation plan to address operational challenges, with short-term, medium-term, and long-term solutions.
- Active investments are being made in asset upgrades, capacity rebalancing, and future-ready capabilities.
- Strong order book, established customer base, ongoing tech transfer projects, and promising growth opportunities.

## **Outlook:**

- Confident in Cenexi's medium- to long-term potential despite delays in realizing the acquisition's full potential.
- The immediate goal is to increase Cenexi's profitability and deliver high-teen margins in the medium to long term.

# Strategic roadmap

*We have identified a number of growth strategies that will help us maintain our momentum.*



- Expanding our presence globally, with a strategic focus on the US, Europe, and the rest of the world (RoW)



- Advancing our portfolio through strategic initiatives such as In- Licensing, Complex Development, and Co-Development



- Recognising the growing demand for biologics and staying committed to fortifying our CDMO in biologics



- Integrating Environmental, Social, and Governance (ESG) considerations into our core business strategy

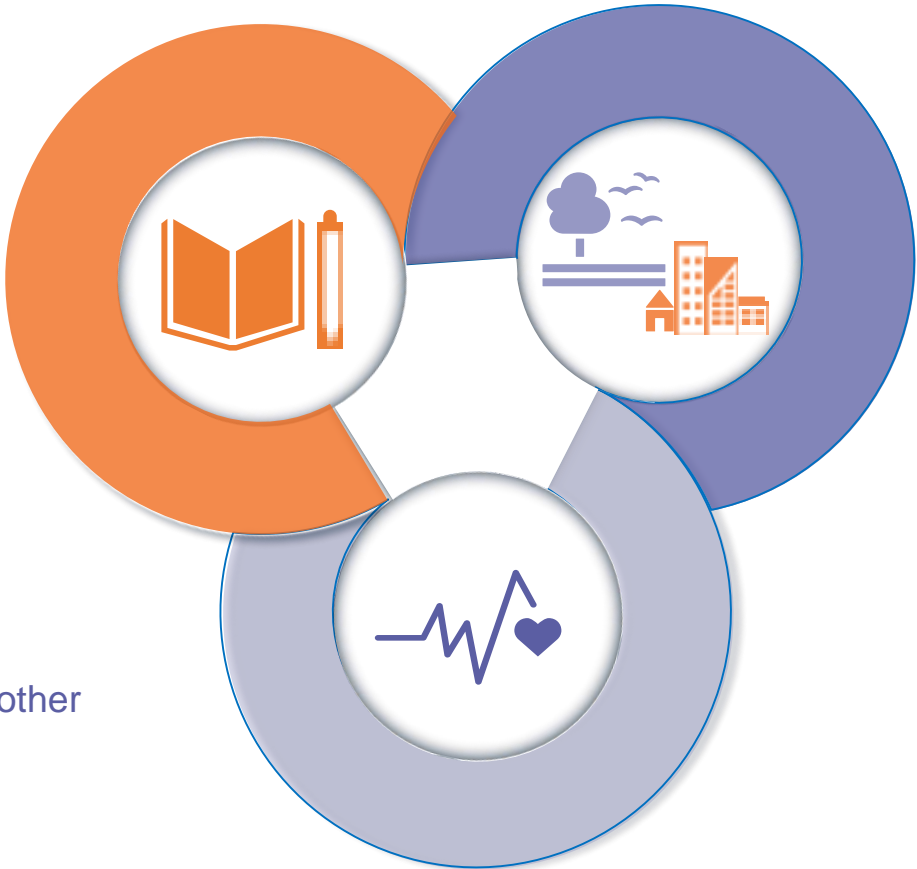
# Our ESG initiatives act as an impetus for creating value for communities and the society at large

## Education

- ✓ **51,000+** Students impacted from various programmes
- ✓ **2.6 Mn** Breakfast meals served in FY 24
- ✓ **INR 128 million** Spent on infrastructure for schools

## Health

- ✓ **1,790** Children benefitted in FY 24
- ✓ **INR 18 million** Spent on various other Health care initiatives



## Environment

- ✓ **11%** Overall reduction of **Scope 1 CO2 emissions**
- ✓ **Reduction 32% in furnace oil and 28% in HSD oil** for steam Generation by transitioning to cleaner fuels (PNG)
- ✓ **169,747 KL** Water recycled
- ✓ **49,246 KL** Water reused.
- ✓ **Prompt** Hazard waste management
- ✓ **304 acres** Total acreage for agroforestry up to FY 24
- ✓ **21,350** Total trees planted up to FY 24
- ✓ **9,110 km** Total length of foot patrols
- ✓ **1,100 km** Total walking efforts on 'Line Transects'
- ✓ **2,404** Total number of wire snares removed



# Thank you



GLAND PHARMA LIMITED



## Annexure B

Summary of the proceedings of the 46<sup>th</sup> Annual General Meeting (AGM) of the members of Gland Pharma Limited ('the Company') held on Friday, 30 August 2024 at 11.00 A.M. (IST) through video conferencing (VC) facility/other audio-visual means (OAVM).

### Directors Present through VC:

1.	Mr. Srinivas Sadu	Executive Chairman & CEO (participation from Corporate Office, Hyderabad)
2.	Dr. Jia Ai Zhang	Director (participation from Japan)
3.	Mr. Satyanarayana Murthy Chavali	Independent Director (participation from Boston, USA)
4.	Ms. Naina Lal Kidwai	Independent Director (participation from New Delhi)
5.	Mr. Essaji Goolam Vahanvati	Independent Director (participation from Mumbai)
6.	Mr. Udo J Vetter	Independent Director (participation from Germany)

### In attendance through VC, participated from Hyderabad, India:

1. Mr. Ravi Shekhar Mitra Chief Financial Officer
2. Mr. Sampath Kumar Pallerlamudi Company Secretary & Compliance Officer

### Other representatives through VC:

1. Mr. Prahlada Rao, Representative of M/s. Deloitte Haskins & Sells, Statutory Auditors, participated from Hyderabad, India
2. Ms. D Soumya, Scrutinizer and Secretarial Auditor, M/s RVR & Associates, Practising Company Secretaries, participated from Hyderabad, India

### Members Present:

54 members attended the Annual General Meeting through VC/OAVM.

Mr. Srinivas Sadu, Executive Chairman & CEO occupied the Chair and welcomed the members and corporate representatives to the Meeting. The quorum being present, the Meeting was called to order. The Chairman then introduced the Directors to the shareholders.

Thereafter, Mr. Sampath Kumar, Company Secretary & Compliance Officer informed the members that the Meeting is being conducted through video conference and webcast as per the provisions of the Companies Act, 2013 and various circulars issued by the MCA and SEBI.

He further stated that the Boards' Report, Auditors' Report, Financial Statements for the FY 2023-24 and other reports along with Notice of the Meeting have already been circulated to the members at their registered e-mail ID. He further informed that since there were no



qualifications, observations, comments or remarks in the Statutory Auditor's report and the Secretarial Auditor's report for the year ended 31<sup>st</sup> March 2024; the reports of the Auditors were taken as read.

He also informed that the statutory documents, registers and reports as required to be maintained under the Companies Act, 2013 and all other documents referred to in the Notice which are required to be placed at the AGM for inspection by the members are open for inspection electronically.

The members were informed that the Company had provided the facility to cast their vote electronically, on all resolutions set forth in the notice of the 46<sup>th</sup> AGM through remote e-voting provided by Linkintime. The remote e-voting facility was open from 9.00 AM (IST) on Tuesday, August 27, 2024 and was closed at 5.00 PM on Thursday, August 29, 2024.

The Company Secretary further informed the members that those members who attended the AGM and had not cast their votes through remote e-voting prior to the Meeting were provided an opportunity to cast their votes during the AGM through the e-voting facility provided by Linkintime.

Thereafter, the Company Secretary invited the Chairman to address the shareholders and deliver his speech.

The Executive Chairman & CEO, Mr. Srinivas Sadu apprised the shareholders as below:

*“The remarkable success the company achieved during the fiscal year 2023-24 is particularly noteworthy considering the various industry challenges we encountered that impacted our business on multiple fronts.*

*We're proud of our ability to rebound from a challenging previous fiscal year, a testament to the solid foundation we've meticulously cultivated over time.*

*As we look ahead, we remain optimistic about the future and the abundant opportunities it presents. We have strategically designed our business model to capitalise on these opportunities, accelerating growth and expanding our capabilities.”*

Thereafter, he presented to the shareholders a brief overview of the business and outlook.

Mr. Srinivas Sadu has made a brief presentation on the performance of business in FY 24; overview of performance of the Company in Regulated Markets and Rest-of-the World (RoW) Markets; apprising on acquisition and operations of Cenexi; ESG and CSR initiatives, etc.

With the permission of the Chairman, the Company Secretary explained to the shareholders the resolutions put forth for approval. He stated that since the Meeting was held through VC and the resolutions provided in the Notice were being put to vote through e-voting, there would not be any proposing and seconding of the resolutions.



**The resolutions put up for shareholder's approval were as under:**

**Ordinary Business:**

1. To receive, consider and adopt the audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2024; the Statement of Profit and Loss, Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date along with the Schedules and Notes thereto, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 including the Audited Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024; the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date along with the Schedules and Notes thereto, together with the Report of the Auditors thereon.
3. To declare the final dividend on equity shares for the financial year ended 31<sup>st</sup> March 2024
4. To reappoint Mr. Srinivas Sadu as a Director, liable to retire by rotation and being eligible, offers himself for reappointment.
5. To not fill the vacancy caused by retirement of Mr. Yao Fang as a Director, as he did not offer himself for reappointment.

**Special Business:**

6. To approve the continuation of Mr. Qiyu Chen as a Director not liable to retire by rotation and being eligible (subject to receipt of Security clearance from the Ministry of Home Affairs, Government of India), offers himself for continuation.

*Resolution no. 6 has been recalled as Mr. Qiyu Chen hasn't yet received security clearance from the Government of India. Disclosure regarding the same has been made prior to the commencement of the e-voting to all the shareholders and stock exchanges.*

7. To appoint Mr. Wenjie Zhang (DIN: 10727581) as a Director w.e.f August 30, 2024, liable to retire by rotation.

All the above resolutions were proposed as Ordinary resolutions only.

Thereafter, queries were invited from the shareholders. The queries posed by the shareholders were suitably responded by Mr. Srinivas Sadu, Executive Chairman & CEO and Mr. Ravi Shekhar Mitra, CFO.

Thereafter, the Chairman announced for voting to be taken electronically (e-voting) and requested Ms. D Soumya, the scrutinizer for the orderly conduct of the e-voting.



The Chairman, authorized the Company Secretary to receive the scrutinizer's report and to announce the combined e-voting results, intimate the stock exchanges and place the same on the website of the Company.

The Chairman thanked the shareholders for attending the 46<sup>th</sup> AGM of the Company and declared the Meeting as concluded at 12:45 P.M. (including 30 minutes time allowed for e-voting during AGM)

The scrutinizer's report was received, and all the resolutions as set out in the Notice of the 46<sup>th</sup> AGM were declared as approved with requisite majority.

**For Gland Pharma Limited**

**Sampath Kumar Pallerlamudi**  
**Company Secretary & Compliance Officer**