

---

**Registered Office Address - K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh - 453001**

---

Date: September 25, 2024

To,  
Listing Compliance Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400051, Maharashtra, India.

**NSE Symbol: ZENITHDRUG; ISIN- INE0QWN01013**

**Subject: Transcript of 24th Annual General Meeting of Zenith Drugs Limited.**

Dear Sir/Ma'am,

Please find enclosed transcript of the 24<sup>th</sup> Annual General Meeting of the company held on Wednesday, September 25, 2024 at 01:00 PM IST.

The said transcript is also being made available on the Company's website at [www.zenithdrugs.com](http://www.zenithdrugs.com).

This is for your information and records.

Thank you.

Yours faithfully,  
**For Zenith Drugs Limited**

**SAKSHI**

**BHAWSAR**

**Sakshi Bhawsar**  
**Company Secretary & Compliance Officer**

Digitally signed by SAKSHI BHAWSAR  
DN: cn=SAKSHI BHAWSAR, o=ZENITH DRUGS LIMITED,  
ou=Listing Compliance Department, email=sakshi.bhawsar@zenithdrugs.com,  
c=IN, st=Madhya Pradesh, postalCode=453001,  
serialNumber=1, c=IN, st=Madhya Pradesh, postalCode=453001,  
email=sakshi.bhawsar@zenithdrugs.com, cn=SAKSHI BHAWSAR  
Date: 2024.09.25 19:42:24 +05'30'

Encl.: As above



---

**Registered Office Address - K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh - 453001**

---

**Transcript of the proceedings of the Annual General Meeting held on Wednesday 25 September, 2024 at 01:00 PM IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM)**

**Sakshi Bhawsar:**

Good Afternoon to all. My name is Sakshi Bhawsar, Company Secretary of Zenith Drugs Limited. I will be assisting the Chairman, Mr. Sandeep Bharadwaj, in conducting the 24th Annual General Meeting. This AGM of the Company is being conducted through video conference as per the provisions of the Companies Act, 2013 and the circulars issued by MCA and SEBI. As a reminder, for the smooth conduct of AGM and to avoid background disturbance, members will be in mute mode and audio and video will be enabled only when they are invited to speak at the AGM as per the pre-registration. Any member experiencing difficulties joining the AGM virtually may reach out to Bigshare officials at the helpline number provided in the AGM notice: 1800 22 54 22. I repeat 1800 22 54 22.

Please note that as per the statutory requirements, the proceedings of the AGM are being recorded and will be made available on the website of the Company.

I now handover the proceedings to Mr. Sandeep Bhardwaj, Chairman and Managing Director of the Company.

Thank you very much. Over to you Sandeep Sir.

**Sandeep Bhardwaj:**

Good day, everyone.

I would like to begin by extending a warm welcome to all of you, including our statutory auditors and the scrutinizer, who are present with us today. It is my honour to welcome you to Zenith Drugs' 24th Annual General Meeting. Although we are meeting virtually, I trust you all have had the opportunity to go through our Annual Report for the year ended March 31, 2024. The report covers various aspects, including our financial performance, business strategy, operations, innovation, corporate social responsibility, environmental initiatives, and governance. The statutory report is also included. With your consent, I will consider the annual report and AGM notice as read.

The Company is conducting the AGM through video conference and other audio visual means as allowed by MCA and SEBI. And I wish to add that all efforts feasible under the circumstances have already been made by the Company to enable members to participate and vote on the items placed before the members for the consideration today.

I now request each Board member present to introduce himself or herself to you.

May I start with Mrs. Ranjana Madam.

**Ranjana Sureshkumar Sehgal:**

Namashkar, I am Ranjana Sehgal, an Independent Director of the Company. Thank You.

**Sandeep Bhardwaj:**

Mr. Anil Malik, could you please introduce yourself?

**Anil Malik:**

Good afternoon to you all. I'm Anil Malik, Non-Executive Director of this Company. Thank You.

**Sandeep Bhardwaj:**

Mr. Deendayal Kumawat, please introduce yourself.

**Deendayal Kumawat:**

Good afternoon all. I am Deendayal Kumawat, Independent Director of the Company.

**Sandeep Bhardwaj:**

Mr. Bhupesh Soni, could you please introduce yourself?

**Bhupesh Soni:**

Good afternoon to all. I am Bhupesh Soni. I am Executive Director on the Board. Thank you.

**Sandeep Bhardwaj:**

Mr. Ajay Singh Dassundi, could you please introduce yourself?

**Ajay Singh Dassundi :**

Good afternoon to all. I am Ajay Singh Dassundi. I am Executive Director of the Zenith Drugs Limited.

**Sandeep Bhardwaj:**

Mr. Neeraj Pandey, could you please introduce yourself?

**Neeraj Pandey:**

Good afternoon to all. I am Neeraj Pandey, CFO of the Company. Thank you.

**Sandeep Bhardwaj:**

Thank you everybody.

Before we commence the formal proceedings of the meeting, I would like to take a moment to reflect on the past year and share some key highlights.

The past year has been a period of notable progress for Zenith Drugs, largely driven by our

continuous commitment to delivering high-quality healthcare solutions. Our product portfolio has expanded, reflecting our dedication to meeting the needs of our healthcare partners and, most importantly, the patients we serve. We recognize that the trust and confidence you have placed in us have been instrumental in this journey, and we remain deeply committed to upholding these values.

- I am pleased to report that we achieved a turnover of **Rs. 13,161.97 Lacs**, representing a **15% growth** compared to the previous year. Our strong order book gives us confidence as we look ahead to further sustainable growth in the future.
- As part of our strategic initiatives, we are excited to announce our plans for expanding into new product categories, particularly in oral and tablet formulations. This diversification will help us better address the evolving needs of patients and healthcare providers, while also enhancing our overall capabilities.
- To support this expansion, we are focused on scaling up our manufacturing capacity and investing in advanced technologies to ensure that we remain at the forefront of innovation.

I would like to take this opportunity to sincerely thank the entire Zenith Drugs team for their unwavering dedication and pursuit of excellence. I am deeply grateful to our Board of Directors for their guidance and to our customers and shareholders for their continued trust in our company. It is your collective support that has empowered us to achieve the milestones we celebrate today.

In accordance with the notice dated **August 31, 2024**, we will now proceed with the formal business of the 24th Annual General Meeting. I will request our Company Secretary to take us through the voting process and explain the resolutions.

**Sakshi Bhawsar:**

Thank you, Sandeep Sir. I would like to inform that the Company has taken necessary steps, as per the circulars issued by MCA and SEBI to ensure maximum participation and to provide equal opportunity to the members in the voting.

Pursuant to regulation 44 of the Listing Regulations, provisions of section 108 of the Companies Act, 2013 and the rules made thereunder, Secretarial Standard on the general meetings, the Company has provided facility to the members to cast their votes through remote e-voting.

The e-voting facility will close 15 minutes after the AGM concludes.

The resolutions specified in the Notice of AGM, including both ordinary and special business, will be approved through e-voting. The results will be announced after tallying the votes cast by members via remote e-voting.

Pursuant to provisions of section 109 of the Companies Act, 2013, Ms. Geetika Agrawal, Practicing Company Secretary, has been appointed as the scrutinizer to conduct the e-voting process in a fair and transparent manner and submit her report to the Chairman.

As per the notice of the meeting, there are total 4 businesses to be transacted at this meeting, 3 ordinary businesses and 1 special business. The businesses to be transacted are as under:

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon
2. To declare a final dividend of 0.5 paisa per equity share for the financial year ended March 31, 2024.
3. To re-appoint Mr. Bhupesh Soni, as an Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the payment of remuneration to M/s. Nikhil Jain & Associates, Cost Accountants.

The members who have exercised their voting rights through remote e-voting are once again requested not to cast their votes during this meeting.

Once the report of the scrutinizer is received, the Chairman will declare the decision of the members on each business transacted by the members through e-voting during AGM, adding thereto the votes cast by the members through remote e-voting.

The results of the voting together with Scrutinizer's report will be placed on the Company's website at the earliest but within the statutory time frame permitted under the law.

The results of the voting will also be filed with the National Stock Exchange of India Limited, where the equity shares of the Company are listed.

Members may visit the website of the Company or website of the stock exchanges.

I now invite the members to offer the comments/ seek clarification on any item of business placed before the meeting today. Only those members who have registered their names as speakers in advance will have the opportunity to speak.

All other members may email their questions to the Company's designated email ID, the Company will certainly reply to them.

Now, we will take the questions from all the speaker shareholders and then reply all the questions together. We invite the first speaker shareholder Mr. Shlok Dave to speak. Please ask your questions:

**Shlok Dave:**

Thank You So much for giving this opportunity. I would like to ask the question, that I have already shared with the company.

1. Can you quantify the new oral capacity that has been added? What can be the peak turnover from this unit? What is the peak revenue potential of the entire company across all product lines? How do you see the revenue growth trajectory over the next 2-3 years?
2. Can you provide some guidance on the gross margin trends going forward? Can we expect any improvements on top of the margins we saw last year?
3. Can you please take us through the various line items in the other expenses and how do you expect the benefits of operating leverage to play out on these cost heads?
4. What would be the peak depreciation for the company?
5. What is the capex plan for the next 2 years?

6. Can you please take us through the working capital cycle of the company? Is there a way to improve our receivable days?
7. What kind of new products are we looking to add? What is our API sourcing policy? Are we importing any APIs from China?
8. Are we looking to enter new markets and therapeutic areas?
9. What are our key core competencies? What factors drive our cost and quality competencies?

**Sakshi Bhawsar:**

Ok. Bhupesh Sir, please answer the 1<sup>st</sup> Question.

**Bhupesh Sir:**

The new expansion will cover both oral and tablet products. It will have the capacity to produce 365 crore tablets and 6.57 crore oral unit each year. When everything is fully operational, we expect to generate ₹350 crore in revenue from all these product.

**Sakshi Bhawsar:**

Thank You Bhupesh Sir. Sandeep Sir, please answer the 2<sup>nd</sup> Question.

**Sandeep Sir:**

We are expecting a 25% Growth in our Top Line & 15% Growth in our bottom line.

**Sakshi Bhawsar:**

Thank You Sandeep Sir. Neeraj Sir, please answer the 3<sup>rd</sup> Question.

**Neeraj Pandey:**

Other expenses mainly include, commissions and brokerage, freight costs, insurance, postage (for freight), and travelling expenses. Majorly these expenses are variable in the nature and around 30% expenses are nature of fixed cost. We are expecting benefits of operating leverages to the extent of 30% fixed cost included in the other expenses head.

**Sakshi Bhawsar:**

Neeraj Sir, please answer the 4<sup>th</sup> Question also.

**Neeraj Pandey:**

After the expansion, it is expected to be between ₹4 crore and ₹4.5 crore.

**Sakshi Bhawsar:**

Thank You Neeraj Sir. Bhupesh Sir, please answer the 5<sup>th</sup> Question.

**Bhupesh Soni:**

We are planning an expansion of approximately ₹25 to ₹30 crore.

**Sakshi Bhawsar:**

Thank You Bhupesh Sir. Neeraj Sir, please answer the 6<sup>th</sup> Question.

**Neeraj Pandey:**

We primarily supply to government clients, including both central and state governments. However, some state governments have payment cycles that can exceed six months. To

improve our receivable days, we are planning to shift our sales efforts from these state governments to other customers who can pay within 90 to 120 days.

**Sakshi Bhawsar:**

Thank You Neeraj Sir. Ajay Sir, please answer the 7<sup>th</sup> Question.

Can you hear us Ajay Sir!!!

**Ajay Sir:**

Yes I can hear You.

**Sakshi Bhawsar:**

Ajay Sir, please answer the 7<sup>th</sup> Question.

**Ajay Sir:**

We are introducing a completely new tablet products on line for the first time.

Regarding our API sourcing policy, we prioritize quality and reliability. We source APIs from reputable suppliers for this we validate vendor through SOP, ensuring compliance with international standards and regulations.

**Sakshi Bhawsar:**

Ajay Sir, please answer the 8<sup>th</sup> Question also.

**Ajay Sir:**

Yes, we are planning to enter in new market and new therapeutic line cardiac and diabetes.

**Sakshi Bhawsar:**

Thank You Ajay Sir, **Sandeep Si**, please answer the 9<sup>th</sup> Question.

**Sandeep Sir:**

We are a WHO GMP- certified pharmaceutical company. Our manufacturing facility meets WHO-GMP standards and is certified for quality management under ISO 9001:2015 (Euro-UK Certification Body). We are committed to producing affordable, high-quality medicines to support our customers and patients. For over two decades, Zenith has earned the trust of healthcare practitioners and government institutions, establishing itself as a leading pharmaceutical manufacturer.

**Sakshi Bhawsar:**

Thank You Sandeep Sir and Mr. Shlok Dave. Hope we were able to satisfactorily answer all the queries raised. I would now like to invite Mr. Anil Malik to deliver the vote of thanks.

**Sakshi Bhawsar:**

Anil Sir, can you hear us??

**Anil Malik:**

Yes, I can hear you.

**Sakshi Bhawsar:**

Anil Sir, please deliver the vote of thanks.

**Anil Malik:**

Respected shareholders, esteemed members of the Board, statutory auditors, scrutinizer, and all distinguished guests,

As we come to the close of this 24th Annual General Meeting of Zenith Drugs Limited, it is my privilege to deliver the Vote of Thanks on behalf of the Board.

First and foremost, I would like to extend my heartfelt gratitude to our shareholders for your continued trust and support. Your confidence in our vision and strategy has been integral to our success, and it is your belief in us that motivates the entire team at Zenith Drugs to strive for excellence.

I would also like to sincerely thank our Managing Director, the leadership team, and every member of the Zenith Drugs family for their relentless hard work, dedication, and commitment to ensuring the company's steady growth, even in challenging times. The progress and achievements that were shared today are a direct result of your unwavering efforts.

To our auditors and scrutinizer, thank you for your diligent work and the professional manner in which you have ensured that our financials and corporate governance remain transparent and robust. Your insights and guidance help maintain the trust that is so critical to our business and its stakeholders.

I would also like to acknowledge the Board of Directors for their continuous guidance and counsel. It is through your collective wisdom and diverse perspectives that we continue to steer the company toward new heights, while maintaining the values of integrity and responsibility.

Last but certainly not least, I wish to extend a warm thank you to the entire team who meticulously organized today's meeting, ensuring that everything proceeded seamlessly, even in the virtual environment. Your efforts behind the scenes are truly appreciated.

As we move forward, I look forward to the continued support and cooperation of all stakeholders. Together, we will build on the strong foundation that has been laid and take Zenith Drugs to even greater heights.

Thank you once again, and I wish you all continued success and good health.

**End of Transcript**