"AstraZeneca Pharma India Limited

45th Annual General Meeting"

August 08, 2024

MANAGEMENT: MR. NARAYAN K. SESHADRI, CHAIRMAN
DR. SANJEEV KUMAR PANCHAL, MANAGING DIRECTOR
MS. REVATHY ASHOK – INDEPENDENT DIRECTOR AND CHAIRPERSON OF THE NOMINATION AND REMUNERATION COMMITTEE
MS. BHAVANA AGRAWAL – CHIEF FINANCIAL OFFICER AND DIRECTOR
MS. SHILPA DIVEKAR NIRULA -- INDEPENDENT DIRECTOR AND CHAIRPERSON OF THE AUDIT COMMITTEE AND THE RISK MANAGEMENT COMMITTEE
MS. SYLVIA VARELA – NON-EXECUTIVE DIRECTOR AND CHAIRPERSON OF THE STAKEHOLDERS' RELATIONSHIP COMMITTEE
MS. HOOI BIEN CHUAH – NON-EXECUTIVE DIRECTOR AND CHAIRPERSON FOR THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Moderator: Good afternoon, ladies and gentlemen. We will now commence the 45th Annual General Meeting of AstraZeneca Pharma India Limited being conducted through video conferencing. For smooth conduct of the meeting, all the lines of the shareholders will be on mute. The audio and video of the speaker shareholders will be enabled once they are invited to speak at the AGM by the Chairman. The proceedings of the AGM are also being recorded. Without any delay, I hand over the conference to Mr. Narayan K. Seshadri, Chairman of the Board of Directors, AstraZeneca Pharma India Limited for conducting the AGM proceedings. Over to you, sir.

Narayan K Seshadri: Thank you. Good afternoon, ladies and gentlemen. On behalf of the Board of Directors, I extend a warm welcome to you all at this 45th Annual General Meeting of AstraZeneca Pharma India Limited being conducted over video conferencing. It is a little after 3 p.m. now. Mansa, can you confirm whether we have the requisite quorum?

Moderator: Yes, sir. The requisite quorum is present to start the proceedings.

Narayan K Seshadri: Okay. I call the meeting to order. Before I turn to formal agenda of the meeting, I would like to introduce the Directors present. We have Dr. Sanjeev Kumar Panchal, Managing Director, right next to me. Ms. Revathy Ashok, Independent Director and Chairperson of the Nomination & Remuneration Committee, Ms. Bhavana Agrawal, Chief Financial Officer and Director. Ms. Shilpa Divekar Nirula, Independent Director and Chairperson of the Audit Committee and the Risk Management Committee. Ms. Sylvia Varela, Non-Executive Director and Chairperson of the Stakeholders' Relationship Committee and Ms. Hooi Bien Chuah, Non-Executive Director and Chairperson for the Corporate Social Responsibility Committee. I am Narayan Seshadri, the Chairman of the Board. We also have with us Ms. Manasa. R, Company Secretary.

I record that the authorized representatives of the Statutory Auditors, Secretarial Auditor, and the Scrutinizer are also virtually present in this meeting. I also record that all feasible planning and execution has been done for enabling electronic participation and voting of the members for this AGM. It is confirmed that the electronic voting is available throughout the AGM.

I will now take up the formal proceedings of the Annual General Meeting. Relevant documents referred to in the Notice calling the AGM, Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements in which Directors are interested, maintained under the Companies Act, 2013 are available for inspection by the members electronically. Members seeking to inspect such documents can send email to the Company Secretary at the email id - comp.secy@astrazeneca.com.

Pursuant to Section 145 of the Companies Act, 2013, qualifications, observations or comments on financial transactions or matters, which have any adverse effect on the functioning of the Company mentioned in the Auditor's Report, shall be read at the Annual General Meeting. Since there is no observation, qualification or comment by the Statutory Auditors in their Report which have any adverse effect on the functioning of the Company, the Auditor's Report does not require to be read.

With your kind permission now, I will read out the Chairman's Statement, a copy of which will also be made available on Company's website.

Once again, Ladies and gentlemen, respected shareholders and members of the board, it is with great privilege that I welcome you to the 45th Annual General Meeting of AstraZeneca Pharma India Limited. I hope you and your families are in good health and health spirits.

I extend my heartfelt gratitude for your unwavering trust, encouragement and support to the Company and its management. Your confidence and support continue to motivate us to strive for excellence.

This AGM is particularly significant for me as it marks my final address as Chairman, with my directorship tenure concluding on September 29, 2024. Reflecting on our journey, I am reminded of the numerous milestones we have achieved and the challenges we have overcome together. From the inception of ambitious projects to the transformative innovations that have defined our growth, every moment has been a testament to our collective dedication and perseverance.

Over the past decade, we have witnessed transformative changes in the healthcare landscape, and I am proud of how AstraZeneca has navigated these shifts with unwavering determination and strategic foresight. Our shared vision has not only propelled us forward, but also reinforced our commitment to making a meaningful difference in the lives of millions.

The Company's steadfast commitment to pioneering science and innovation has enabled us to significantly improve patient outcomes. We are transforming healthcare for billions of people, moving from preventing and treating diseases to one day curing them. This transformation is driven by our belief that science is key to unlocking the answers and by harnessing digital technologies, data, and AI, we are accelerating our understanding of disease and increasing our chances of success.

Together, with a shared sense of purpose, we aim to make a positive impact on patients' lives and contribute to a healthier and better future. I extend my heartfelt gratitude to every one of you for your unwavering commitment and passion.

The Director's Report and Audited Financial Statements for the year ending March 31, 2024, are with you. Assuming your familiarity with these documents with your permission I will highlight some key updates on our progress over the past year.

Dear Shareholders, AstraZeneca has relentlessly pursued excellence, innovation, and sustainable growth. Our foundation lies in harnessing the power of science to create transformative medications that significantly improve lives. We believe our responsibility extends beyond profits to making a positive impact on people, society, and the planet.

Over the past year, we have achieved significant milestones, thanks to the dedication of our teams. We have brought groundbreaking innovations to market, delivering life-changing solutions to those in need. Our commitment to making healthcare accessible remains a driving force. We continue to invest in sustainable health systems and infrastructure to create lasting positive impacts on our communities.

We take immense pride in being recognized as an exceptional workplace where sustainability, inclusivity, and diversity are core values. Our culture of continuous learning and a shared sense of purpose drives us to excel in all aspects of our business. I extend my heartfelt gratitude to each team member for their unwavering commitment, passion, and a strong belief in the Company's purpose of transforming the future of healthcare.

Fiscal highlights for the year 2023-24, we are proud to share the Company's exceptional progress and accomplishments in FY 2023-24. As a science-led biopharmaceutical company, our commitment to science and sustainable growth has driven us to achieve remarkable milestones. This year, we have seen significant advancements in regulatory approvals, submissions, and pipeline developments, reflecting our dedication to improving lives through transformative medicines.

The Company achieved total revenue of. Rs. 1,330 crores delivering a growth of 29%. Further, the Company achieved a growth of 64% in Profit Before Tax and a significant increase of 63% in EPS. Aligned with our growth through innovation strategy, the Company's success was driven by innovative products such as Tagrisso, Lynparza, Imfinzi, Fasenra, Brilinta, and the newly launched Enhertu and Koselugo.

Our Oncology Business continued to advance our mission of pushing the boundaries of science to change the cancer care and transform the lives of patients with cancer. Tagrisso remains a standard of care for lung cancer patients with an EGFR mutation, both in advanced and early-stage resectable settings. It is one of the Top Ten oncology brands in India as per IPSOS MAT Jun'23 and continues to be the largest oncology brand by sales for AstraZeneca India.

Imfinzi indicated for both Non-Small Cell and Small Cell Lung Cancer, demonstrated robust growth across lung cancer indications in 2023-24.

Lung Cancer Initiatives: We launched new initiatives in collaboration with the governments of Karnataka and Goa to increase early diagnosis of lung cancer. A key catalyst for our growth in breast cancer was the launch of Enhertu for HER-2 positive metastatic breast cancer in January 2024. Enhertu has been granted breakthrough designation by the USA FDA, highlighting its scientific innovation and potential relevance to meeting the unmet needs of breast cancer patients.

Enhertu: The launch of Enhertu for HER-2 positive metastatic breast cancer in January 2024 was a key catalyst for our growth in breast cancer. Enhertu has been granted breakthrough designation by the US FDA, highlighting its scientific innovation and relevance to meeting the unmet needs of breast cancer patients.

Enhertu also received approval for treating adult patients with unresectable or metastatic HER-2 low breast cancer who have received prior chemotherapy or developed disease recurrence during or within six months of completing adjuvant chemotherapy. The BioPharmaceutical division remained steadfast in advancing our mission of providing life-altering solutions to patients.

Brilinta: Approved for treatment in Acute Coronary Syndrome and used in high-risk post-MI patients, Brilinta achieved a 27% growth year-on-year despite loss of exclusivity by the parent company.

Fasenra, the No.1 respiratory biologic by value in the country, has significantly impacted the lives of more than 600 patients. With strong patient enrollments, it has redefined the standard of care for the management of severe asthma. This remarkable achievement underscores its status as the first biologic from AstraZeneca to treat Severe Eosinophilic Asthma.

The Company has partnered with Mankind Pharma to expand access to asthma medicines for Indian patients, entering into an exclusive distribution and promotion agreement for Symbicort. We forayed into the Rare Diseases segment with the launch of Koselugo, the first and only approved therapy for the treatment of pediatric patients with neurofibromatosis type 1 (NF1) who have inoperable plexiform neurofibromas (PN). These achievements underscore our commitment to transforming healthcare through scientific innovation and strategic collaboration. Thank you for your continued support.

Looking at the Macro-Economic piece, India stands as the world's 5th largest economy, boasting an estimated GDP of US$ 3.94 trillion. When adjusted for purchasing power, it ranks third, trailing only behind China and the United States. In 2023, India emerged as the fastest-growing major economy, experiencing a substantial GDP growth of 7.8%.

India's macroeconomic fundamentals have remained robust, with expansion driven by a notable increase in the industrial, manufacturing and services sectors. This growth has been bolstered by the government’s sustained capital expenditure push, despite global headwinds stemming from geopolitical uncertainties.

Looking ahead, India's economy is poised to benefit from strong public investment and continued growth in the manufacturing sector, with a projected GDP growth of 6.8% in 2024 and 6.5% in 2025. While the global macro-economic environment presents challenges, it also presents new opportunities.

Indian Pharmaceutical Market; The Indian Pharmaceutical Market encompasses generic drugs, bulk drugs, OTC medicines, vaccines, contract research & manufacturing and biosimilars and biologics. India holds the position as the third-largest market globally in terms of pharmaceutical production by volume and ranks fourteenth in terms of value. Notably, India stands as the largest supplier of vaccines and generic drugs globally.

Moreover, the Indian pharmaceutical industry ranks among the top 10 attractive segments for Foreign Direct Investments in India, having received a substantial US$22.37 billion in FDI from April 2000 to December 2023.

For the fiscal year 2023-24, the estimated size of the Indian Pharmaceutical Market stands at Rs. 2,16,091 crore, US$ 26.04 billion. The market experienced a growth of 7.6%, representing a slight drop from the previous year's growth of 7.9%. Indian companies account for an 83% share of the market's value, experiencing a growth rate of 7.9%, while multinational corporations saw a growth rate of 6.05%.

Operations: Our facility maintained excellent safety and quality performance with zero Lost Time Injuries and seamless supply to patients. We continue to prioritize sustainability, achieving 85% green energy utilization and zero discharge for effluent through water reuse initiatives.

Through the Company's earlier communications to stock exchanges, it was informed that as part of AstraZeneca's ongoing strategic review of its Global Manufacturing and Supply Network, the Company intends to exit the manufacturing site in Bangalore, in due course. It was also informed that the Company will now explore a buyer for its manufacturing site.

The Company remains committed to advance access to innovative medicines in India, with a clear ambition to be pioneers in science, lead in specialist disease areas and transform patient outcomes. The Company is fully cognizant of the impact this change can bring and its first responsibility will be towards its employees and meeting the needs of its patients by ensuring an uninterrupted supply of medicines.

Outlook: Inspired by our purpose and values, we are transforming the future of healthcare by unlocking the power of what science can do; for the people, society, and the planet. The Company has introduced several new products and indication expansions in FY 2023-24. Pathbreaking launches in the Oncology business include Enhertu for adult patients with unresectable or metastatic HER2 positive breast cancer.

Enhertu has also received indication approvals for HER2-Low Metastatic Breast Cancer and Locally Advanced or Metastatic Gastric Cancer. Enhertu has gathered considerable momentum and quick acceptance amongst healthcare professionals. The Company's robust portfolio and future pipeline in Oncology will lead the way in transforming outcomes for cancer patients in India.

In CVRM, Forxiga expanded its indication in Heart Failure. The Company has been instrumental in shaping the market for use of SGLT2i class of drugs in this novel indication. The Company also entered the Rare Disease Market with the launch of Koselugo for treatment of NF1 and plans to expand its portfolio further, leveraging its wide global asset offering.

In FY 2024-25, the Company will continue to strive towards its ambition to be pioneers in science, lead in specialist disease areas and transform patient outcomes. The Company remains committed to making novel therapies available to patients in India, putting innovation and sustainability at the heart of its operations.

Corporate Social Responsibility: At AstraZeneca, our purpose and our values of doing the right thing, impels us to strive towards building healthier societies, forging partnerships to tackle major health challenges. By using a science led approach and ensuring we act with integrity and in accordance with our values, the Company is transforming the future of healthcare and making a positive impact. The Company continues to create value beyond the impact of our life changing medicines, by embedding sustainability into everything.

Since 2021, our priority focus areas have been grouped under three interconnected strategic priority pillars; Access to healthcare, Environmental protection, and Ethics & transparency. Our flagship programme, the 'Ganga Godavari Screening Programme', aims to identify the incidence of Cancer in women early-on by conducting preventative screenings among underserved communities.

Over the year, we have continued our mission to identify cancer incidence early-on by creating awareness and conducting screenings among economically weaker sections of identified communities in Nasik, Patna, and Delhi. Mohalla clinics using AI based breast cancer screening is being conducted. Alongside, we supported preventative screening camps organized by partners CAPED, ICS and OneStage driving 'Early Detection for Better Outcomes'. The project screened over 10,000 women through 125 camps in 125 different locations.

The Global Young Health Program (YHP), a partnership with the John Hopkins School of Public Health and Plan International, focuses on enhancing health outcomes for vulnerable youth. This program has reached over 95,000 youths through 43 community activities, aiming to limit risk behaviors and promote long-term health. We have trained 145 youth as peer educators and 75 healthcare workers, engaging 28 government stakeholders to ensure a broader impact on youth health education.

Last year, the Company added a unique dimension to 'Environment Protection' pillar of Corporate Social Responsibility. In response to the critical situation in rural India, where traditional cooking methods pose significant health and environmental challenges, we introduced the concept of 'Improved Cookstoves Distribution for Women Empowerment and Environmental Sustainability'. This initiative aims to address health risks, empower women, and contribute to environmental sustainability by reducing deforestation and lowering greenhouse gas emissions.

In collaboration with our partner IICare and OneStage, we installed over 2,500 cookstoves in households across Jalna District, benefitting 7,000 to 8,000 beneficiaries directly and indirectly. Additionally, with SankalpTaru Foundation, we have 5,000 geo-tagged trees using Miyawaki and conventional plantation methods, including medicinal, fruit-bearing and shade-giving trees, at the Open-Air Jail in Devanahalli, Bangalore, Karnataka. We are dedicated to innovating and accelerating the delivery of sustainable healthcare, committed to building purpose-driven partnerships for a healthy future for everyone.

I'd like to get to making certain acknowledgments. As I conclude my tenure, I reflect with pride on our achievements and look forward with optimism. AstraZeneca's future is bright, and I am confident that the Company will continue to reach new heights. I extend my sincere thanks to our dedicated employees, the Board of Directors, and our shareholders for your unwavering support.

It has been a privilege to serve as your Chairman. I am confident that the incoming leadership will continue to build on our successes and drive AstraZeneca towards even greater accomplishments. I thank you, for your continued support.

Before I take up the formal agenda items of the meeting, I request Dr. Sanjeev Kumar Panchal to make a corporate presentation to all the members.

Sanjeev Kumar Panchal: Thank you, Mr. Chairman. We can start with the video first.

[Video Presentation]

Good afternoon, everyone. I'm Sanjeev Panchal, the Managing Director for AstraZeneca Pharma India Limited, joined by the Board of Directors. I welcome you all to our Annual General Meeting for the Financial Year 2023-2024, and very pleased to address you all today. We'll be taking you through the progress of our Company in the next few minutes, and we'll be taking your questions after the presentation.

Next slide, please.

This is our usual disclaimer that captures that information shared today is for general purpose only and may not be used elsewhere. We might make a few forward-looking statements, but the outcomes will be based on environment, unforeseen urban circumstances, which may be different from what can be predicted. First of all, let me thank my Board of Directors, our Chairman, Mr Sheshadri sir, Ms. Revathy, Ms. Shilpa, Ms. Sylvia Varela, Ms. Hooi Bien and Ms. Bhavna Agarwal. This is a constitution of our Board of Directors, and we have six board committees, which is the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Share Transfer Committee and Risk Management Committee.

Next slide, please.

Today, I will take you through the following. One is the global update for the last year, followed by industry overview for India, followed by AstraZeneca Pharma India Limited Performance Overview. I'll also give you a glimpse of how we performed in different business units, which is Oncology, Biopharmaceutical, Rare Diseases and our initiative around digital transformation and healthcare innovation, sustainability, and a great place to work.

Next slide, please.

So starting with the global update, we are very pleased to share that we delivered on our growth ambition, which was set by the global team in 2014. And we said that we would be more than a US$45 billion company. And you would see that our journey, which was set in 2014, was really achieved last year for the global -- going more than US$45 billion of sales across the globe.

And this was really driven by a science-led innovation, unlocked a decade of industry-leading growth. We really saw that how we are following the science as a value, but we also ensured that we had disciplined investment with focus on our three key therapy areas. One is oncology, followed by biopharmaceuticals and biopharmaceuticals constitutes cardiovascular metabolism, respiratory immunology, and vaccines. And also, the new entrance into the rare disease, while we entered rare disease a few years back globally, we will also talk about how we are doing it in India.

Next slide, please.

I also want to talk about the H1 2024 results, which was just around globally a week back. We had in this year from Jan-to-June for the global, a strong underlying growth with a total revenue growing globally at 18%. And our core operating profit has been growing at 7% with a constant exchange rate and our core EPS has been growing by 5%. So overall a very good year last year for global in 2023 and even for this year for the global, we have a strong underlying growth as we are going ahead bringing new innovative medicines to the patients across the world.

Next slide, please.

I'll now talk about the industry market and industry overview for India. Let me first start with the country macroeconomic environment; as Chairman sir said that, India's real GDP growth has been going very good, we grew by 8.2% in the full year of 2024, exceeding 8% in three of our four quarters.

India is projected to be among the fastest growing economies by 2030 and to become the world's third largest economy. We have improved our ease of doing business from a 142nd rank in 2014 to 63 ranks in 2020. Our GDP of US$2,256 per capita in 2021 to US$5,160 by 2030 is a well-projected GDP for our country. There have been government investments. We would see that in India, Amritkaal budget expansion of approximately 24% from US$142 billion in 2023 to US$176 billion in 2024, with a big focus on infrastructure as well.

Next slide, please. If you see our performance as AstraZeneca across the market, we know India pharmaceutical market is largely out-of-pocket market, quite competitive and very fragmented as well. We have been performing well. We are amongst the top 10 fastest growing pharma companies in India. And in the last period of financial year '23-'24, we have improved three ranks as the Company.

Next slide, please. And this has been propelled by our growth through innovation strategy, which is the global strategy and also our India strategy. We are focusing on two big things. One is how do we bring innovative medicines faster to India? And how do we improve access to these medicines when they are back in India?

So we are pleased to share that we had nine regulatory approvals in the financial year '23-'24, which has been a significant work done by a Medical and Regulatory team to bring these regulatory approvals faster into India. And these regulatory approvals was not only for one therapy area, but across our oncology business unit, biopharmaceutical business unit, and rare disease business unit. Our Chairman sir also mentioned about a launch of Koselugo for NF1 with PN.

And this was approved in '22, but we actually launched this product this year in the financial year. The second part is, it's not only about bringing medicines to India, we also are partnering for early diagnosis. This is as a part of a global strategy, but also in India, we want to reduce the disease burden. And we have been working with the State Government, and you would see that we have partnered in two significant, with two significant MoUs in which we partner with the Government of Karnataka and Government of Goa to increase access to early screening of lung cancer by using AI digital technology.

So, our objective is to bring really new launches faster to India so that our patients in India can benefit from it. At the same time, we are working with the government to ensure that how can we reduce the disease burden by focusing on early disease and early diagnosis.

Next slide, please. I'm pleased to share that some, these are the approvals that we got and true to our spirit of bringing innovative medicines faster to India, we have received nine approvals during this financial year. And out of which we could already see that we have launched five of assets, five of them. And out of these nine, you could see that there are six new assets, which means that there are some new indications for our brands which are already in the market for the patients, but there are new assets like Koselugo for rare disease, Synagis for RSV, Breztri for asthma, Andexxa in CVRM and Imjudo and Enhertu for our oncology drug. So, we are very, very excited that when we get these approvals, we have a future in which we can bring these medicines a launch to the patients and improve the access to these patients for our patients in India.

Next slide, please. AstraZeneca, as I mentioned earlier is among the fastest growing MNCs in India. We are ranked eight amongst the MNCs in the Indian pharmaceutical market and our oncology business is now ranking in top three in the Indian pharmaceutical market. And this year, as Mr. Chairman mentioned, that Enhertu has really propelled our growth in the quarter four of the financial year. But in addition to that, Lynparza, just to mention how our brands are performing in the market. Lynparza is the number one ovarian cancer brand and in top 10 Onco brands in the country. Tagrisso is the number one lung cancer brand and the third largest Onco brand in the country.

Brilinta, a medicine for heart attack, sustained its market leadership despite the loss of exclusivity in the OAP market with a double-digit growth. Fasenra, which is for severe eosinophilic asthma. It was launched in April 2021 and is now the number one respiratory biologic by value in the country.

And Imfinzi, which is also for lung cancer, and we launched also GI indication for it, is the fastest growing oncology brand and sixth largest oncology brand in the country. So overall, your company has been growing fast, is amongst the top companies and our business is quite diversified with a therapy approach across the oncology and biopharmaceuticals.

Next slide please. Continuing our partnership, we really believe that if we have to make a difference to patients, we can't do it alone and collaboration has been a pivot to our access strategy, and we have been doing this and more and more becoming a partner of choice for our company.

As mentioned earlier, we believe that we are becoming more and more specialist company bringing innovative medicines in oncology, in biopharmaceuticals, in rare diseases. We wanted also to improve our access of our medications like Symbicort. We made a first exclusive distribution partnership and promotion deal for Symbicort with Mankind Pharma. And we really believe that with this, we can the patients can access this innovative medicine of Symbicort across a country with this partnership.

We also mentioned that we want to improve the diagnostic and we partnered with Roche for improving the diagnostic in cancer. We are opening centre of excellences for severe asthma and we have done that in Goa and Mumbai and we further want to increase the diagnostic and we have partnered with Rajiv Gandhi Cancer Institute and Research Centre for NTS testing. So, this is clearly our strategy is to bring innovative medicines fastest to India. We also believe if we have to reduce the disease burden, we need to go into early diagnosis, early screening and we really believe that this can't be done alone, and we have to do in collaboration.

Next slide please. In terms of our revenue for the financial year, AstraZeneca delivered a very strong double-digit growth. You could see that we have grown our total revenue by 29% and for the first time, we have crossed the sales of product sales of more than Rs. 1,000 crores with a total revenue of Rs. 1.300 crores. Our EPS has grown by 63% and you could see on the right, our sales by therapy area has strongly contributed by oncology followed by cardiovascular, then diabetes and then the respiratory therapy area. So very strong performance, we are pleased to share both in terms of our total revenue and in terms of our EPS.

Next slide please. We spoke about science and science is at the heart of what we do and putting the patient first. As a company, we want to actually trailblazing the pioneering in science and bringing innovative medicines to India. In our corporate narrative, you would have seen that we are clearly stating our purpose of pushing the boundaries of science to deliver life-changing medicine. And we really want to transform healthcare by focusing on what science can do for people, society and planet. So, this is the overall narrative we are really bringing to across the India, whether it is around eliminating lung cancer disease as a cause of death or bringing innovation for leading in the rare diseases.

Next slide please. We have been also being recognized and your company has won several accolades. We had the best brand award for economic times. We had Asia one G20 recognition for AstraZeneca. We have been recognized as a great place to work. We have been recognized for our ESG. We have been recognized for our inclusion and diversity initiative and also for IHW Council for a gold for the best patient-centred company in surgery by IHW Council. So, it's a great recognition for a company which is happening across therapy areas but also the different initiatives which we are taking around people, society and the planet.

Next slide please. So just to give you a glimpse on oncology. Next slide please. Our oncology business is accelerating towards number one position as we mentioned that we are in top three companies and a second fastest growing company but we are really supported, being supported by innovative science and we have the passion to bring innovative science for our patients in India as fast as possible. We are growing at a 42% growth rate as per first data which is the fastest, which is faster than the market.

And you could see clearly here that Tagrisso, Imfinzi, Lynparza, Zoladex and recently launched Enhertu which is one quarter sales. We have a very diversified portfolio to help the patients in India for lung cancer, for breast cancer, for GI cancer and also GYG in cancer. You would also see some of these brands are expanding the indication like Imfinzi which was indicated for lung cancer but expanding the indication for GI cancer. And similarly for Enhertu which was for HER2 positive patients now we're expanding the indication to HER2 low patient as well. So, we have a huge opportunity in AstraZeneca for the company to bring the innovative medicine as fast as possible and benefiting our patients in India.

Next slide please. We are really committed to transforming patient outcomes. And as we said that while we focus on bringing innovative medicines faster to India, we also want to ensure that we are able to reduce the disease burden by early diagnostics. And we have, India has been a hub of molecular diagnostics. We have extended NGS panel from 9 gene to 18 gene panel and we have done already more than 1,000 tests on a Y-T-D basis.

We have launched the centre of excellence for lung panel testing with RGCI which I mentioned about Rajiv Gandhi Cancer Institute, and we are launching a collaboration agreement for HER2 patients as well. We are embracing digital, which is very important as we go ahead digital is an important pillar of our company. We are driving awareness on disease areas via IHW forums. We have Lung Mitra launched 2.0 leveraging social media to connect HCP to patients. And we are leveraging a doctor networking platforms for HCP outreach. We are strengthening our partnerships via technology.

We have Qure.ai which we partnered with the government of Goa and Karnataka to see the X-ray with an AI. And if we can detect nodules earlier so that we can really bring the shift of understanding the lung cancer detection which is happening at a late stage, can we bring the detection at early stage. So, we are really using technology and partnering with the right set of stakeholders to ensure we can get the early diagnosis for the patient.

We have innovative access programs. We believe that we would need for our drug innovative patient support program, patient affordability program. And you would have heard recently also we are also getting our lung cancer drug which is Tagrisso in different stages of lung cancer is now also being listed in employees state insurance. And we believe that this will further give access to lung cancer patient as we go ahead.

Next slide please. Now coming to biopharmaceuticals. Next slide please. The TA also again grew by 8%. Please note that Forxiga got loss of exclusivity and we know Brilinta is growing very fast there. And Forxiga is once it is out fully from LOE we would see further growth there.

You could see that overall, the sales trend for our biopharmaceutical business is quite well distributed. The biggest contribution coming from Brilinta and then Forxiga and even respiratory immunology is further helping us to take the growth of this business unit.

Next slide please. We will continue to step up our patient centric awareness initiative, which is beyond sugar for diabetes patient, digital cardiac rehabilitation program, patient education programs covering 50 topics across CVRM disease continuum and a precision clinic for a severe asthma patient. So, our objective as we said earlier is to ensure that how do we create more awareness and early diagnosis for the patients so that we can reduce the disease burden in different places.

Coming to rare disease, this is very new portfolio for us. We have just launched, next slide please. Next slide. We have recently launched, sorry, one slide back. Yes, we have recently entered into the rare disease and there's a lot of work needs to be done in rare disease because this is really rare, really finding the rare disease patient early diagnosis awareness is absolutely important. So, we have launched the first and only approved therapy for pediatric patients with neurofibromatosis type one with NF, which is Koselugo.

We have partnered with ORDI, which is the largest patient advocacy group on rare disease in India to build awareness for rare disease. And we are now working with different stakeholders especially to widen the ambit of disease included in the national policy for rare disease. As you know, we have a national policy for rare disease, and we want more awareness around this and more disease to be added as we go ahead into rare disease. We're also working with the, next slide please.

We're also working with the government of how do we take the mobilized influences in the country to augment need for national policy for rare disease and inclusion of more diseases into this policy, the federal government policy within India. And we commemorated the rare disease day with the Swedish embassy by planting a tree to start our journey of benefiting more patients of rare disease in India.

Talking about digital transformation and next slide please. Talking about digital transformation and healthcare innovation, we are really transforming the patient life by accelerating digital adoption. As I said, that digital is one of our, digital and AI is one of our important pillars as a part of our strategy as we want to bring innovative medicines to India. We have under digital and AI, 5,000 plus white space HCPs.

We have iPharmacy mobile app and we have easy chat GPT, which has been launched for our internal employees as well. We're accelerating delivery and innovation. We have augmented reality tool for NF1 awareness for rare disease and diagnosis and loss to help HCPs and patients understand the disease and its symptoms. It's very important that rare disease is really rare and we would want to reach from a digital and AI method to create the awareness for rare disease across the country.

And within internal also, we are doing NRV simplification program of the staff and we are using Empire. So overall as a company, digital is an important part of our strategy and we are using digital not only for internal and become more simplified organization. At the same time, we are creating awareness both at an HCP level and also at a disease level as the company.

Next slide, please. We're very passionate about bringing science. At the same time, we are very passionate about sustainability, which is very, very important to us. Mr. Chairman already mentioned about our engagement. We did the Ganga Godavari Cancer Screening programme, which is really screening women for oral, breast and cervical cancer. We have screened more than 10,000 women across 125 camps across Delhi, Nasik and Patna. Our flagship Young Health Global Program has reached now more than 95,000 youth.

We have trained 145 youth as peer educators and we have engaged 28 government stakeholders in the country. We have improved cook stove distribution for women empowerment, installed 2,500 cook stoves in household across Jalna district. And this has benefited 7,000 to 8,000 beneficiaries directly and indirectly. We have our own AZ Forest Program, which is in India, 5,000 geotag trees at the open-air jail in Devanahalli, Bangalore.

Next slide, please. We're also very proud to mention that last year in December, we announced the global. So, AZ Forest Program is one for India, which we do from AstraZeneca Pharma India Limited. And we are really pleased that AZ Global is also invested in India for a global program. And that was called Regeneration Meghalaya. And it's a commitment to plant hope, nurture sustainability and grow a future with nature and agriculture, child and harmony. This is, by the way, 30-year regenerative horticulture and agriculture project in Meghalaya.

We'll be planting 64 million trees, restoring 22,000 plus hectares of land, supporting biodiversity and soil conservation, as well as the climate and catchment health benefits. On the right, you would see, we were present with our leadership team along with the chief minister of Meghalaya and the health minister and forest minister of Meghalaya in the farmer's parliament. That's a picture on the top. And this is below, you will see a picture where we are planting the tree in that hectare of land. So we are really, really proud on two parts. One is that we are bringing science to patients, and we are very, very passionate about sustainability for our country, which is India.

Next slide, please. Coming to a great place to work for our employees. Next slide, please. Our great place to work strategy is really aligned to people development. We have this internal pulse survey which is conducted every year. Based on last year, pulse survey which is conducted internally, 89% of our employees believe AZ is a great place to work. 89% employees believe strongly in AstraZeneca's future direction and key priorities.

87% managers in my function company are committed to diversity and inclusion in the workplace. And 90% employees believe AZ demonstrate a commitment for the safety and well-being of our employees. We had several external recognitions as well. We are sixth time in a row, a great place to work company. We are recognized among 100 best companies for women by the Working Mother and Avatar Group for the sixth year in a row.

And we have been accoladed by the Diversity and Inclusion HR Leaders of the Year, our HR Director. And we have many engagement with the Business World and Economic Times. So overall, the delivery of our performance is with our people. And you can clearly see that our people are motivated to contribute to the future of AstraZeneca and also to the future of the patients we can benefit in India.

Next slide, please. So finally, we are really inspired by a purpose and values. We are transforming the future of healthcare by unlocking the power of what science can do for people, society, and planet. We are really driven by a purpose to push the boundaries of science to deliver life-changing medicines. And all our employees in our company are really driven by our values and the behaviours they display to bring those innovative medicines to India and benefit the people, society, and the planet.

Next slide, please. And really pleased to share that we are commemorating 45 years of our company, your company together in this. And we had 11th July was the date when the company came to 45 years. And we are doing series of engagement and celebrating this moment of bringing innovative medicines to India. With this, maybe we can share a video.

[Video Presentation]

So I really want to thank you for the contribution, all our employees, shareholders, product directors who have been contributing to get us so far and our journey continues to go on. We have prepared a booklet of 45 years. Next slide, please. And you can access this milestone of our 45 years through our website, which is astrazeneca.net. As we go ahead, next slide, please. As we go ahead, our purpose continues to remain the same, to push the boundaries of science to deliver life-changing medicine.

We'll do that by growth through innovation, very focused in India, bringing innovative medicines faster, and also focusing on science and access. We'll expand our pipeline. As you could see, we have lots of new launches coming in. This gives a lot of confidence for us to continue to grow in the future for our company and also improve the access of our medicines to the patients in India. As for our values, we follow science and we put patient first. Patient centricity is central to everything we do.

And we'll continue to partner to ensure that we bring early diagnosis, awareness, and screening so that we can overall reduce the disease burden in our therapy areas where we are. We are accelerating our talent. We believe that what we want to achieve, what we have achieved today and what we want to achieve in future can't be done without talented people. And we'll continue to focus on accelerating our talent and development agenda. I'm very passionate to ensure that we accelerate our ambition towards zero carbon.

So overall, continue to inspire by a purpose and to ensure that we transform the future of healthcare by unlocking what science can do for our people, society, and planet. This focus continues to remain. So, thank you so much for your patient hearing. But before we end our presentation, I want to, next slide please. I want to thank Chairman Sir. Thank you so much for your guidance. I think we have gone through a good time, not so good time, but you have been a really guiding support for us for the past 12 years.

It's sad to hear that this is your last, but I think what you have given to us as an organization over the past 12 years, I had a short period and I'm fortunate to have one and a half years with you as the Managing Director and guiding me in some of the decision, but also for all the Managing Directors who you have guided. Thank you so much.

It's a glimpse of some of the pictures which we could gather and capture. Thank you so much. And we wish you all the best and a big thank you from all of us, from the parent company, from our Board of Directors, on behalf of our employees, on behalf of shareholders. Thank you so much for this. Thank you.

Narayan K Seshadri: Thank you. Yes, after watching that video, I think I'll try and see if I can become an Independent director again. Anyway. Thank you, Sanjeev. That was a brilliant presentation. I hope the shareholders got the benefit of all the insights which you shared with them. And as a result, have greater confidence in so far as the company and its future is concerned. What I would like to do is to go back to our AGM.

I'd like to sort of run through the four items in the agenda which need to be looked at. Item number one is the notice pertaining to the adoption of financial statements for 31st March 2024, along with the reports of board of directors and auditors they're on. Number two pertains to the declaration of dividends per share of Rs. 24 in the financial year, for the financial year 2023-24.

Number three pertains to the appointment of a director in place of Dr. Sanjeev Kumar Panchal, who retires by rotation and being eligible offers himself for reappointment. Number four pertains to the payment of remuneration to M/s. Rao Murthy & Associates cost accountants appointed by the board as cost auditors of the company. The explanatory statement forming part of the notice provides necessary details in respect of business item number four. I now request Manasa to provide general instructions to the members regarding participation in the meeting.

Manasa R: Good afternoon, ladies and gentlemen. As required under Section 108 of Companies Act, 2013, the company provided remote e-voting facilities to the shareholder to cast their votes electronically in respect of all items of business in the notice dated May 27th 2024. The remote e-voting facility which was kept open for a period of four days from August 4th 2024, 9 a.m. closed at 5 p.m on August 7th 2024. Mr. Vijayakrishna K.T, practicing Company Secretary is Scrutinizer appointed by the board of directors of the company for scrutinizing the remote e-voting process in a fair and transparent manner and to submit his consolidated report on vote cast for and against each of the resolution as per item 1 to 4 of the notice to the chairman or to a director or officer authorized by the chairman.

As the AGM is held virtually, the option for physical voting at the AGM is not available. However, the company has enabled e-voting facility during the AGM. Members who have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so shall be eligible to vote through remote e-voting system during the AGM. The icon for e-voting is available on top of the screen under e-voting tab which will redirect the members to the e-voting platform of NSDL. The e-voting facility would close after 30 minutes from closure of this AGM. Thank you very much. I hand over now to you, sir.

Narayan K Seshadri: Thank you, Manasa. As is customary in our AGMs, let me share some general information which is of interest to you. Number of shareholders are 27,451 as on August 1, 2024, Number of employees are 925 as on date, Number of board meetings held during 2023-24 is 7, all well attended. Number of Audit Committee meetings held 2023-24, 5 all well attended. Number of Independent Directors 3, book value per share is Rs. 284.77, earnings per share is Rs. 64.60.

Share price, last closing price Rs. 7,133. Last AGM the price was 3,958.75. Amount transferred to Investor Education and Protection Fund - There were no amounts which were required to be transferred to IEPF by the company in the year 2023-24. Key focus areas of the company, Oncology, Biopharmaceutical, Rare disease. Company's growth brands Tagrisso, Enhertu, Imfinzi, Brilinta.

Top brands by sales by million Tagrisso – Rs. 3,199, Imfinzi – Rs. 2,007, Brilinta – Rs. 1,811, Lynparza -1,313, Forxiga - 752, Crestor – Rs. 395, Enhertu – Rs. 316, Seloken XL – Rs. 307, Zoladex 10.8 – Rs. 297, Betaloc - Rs. 252, Fasenra – Rs. 228, Xigduo – Rs. 226, Symbicort - 181, Imdur – Rs. 179, Zoladex 3.6 mg - Rs. 176. Single largest selling products of the company. Tagrisso contributed to 26.53% of total sales. It is used to treat non-small cell lung carcinomas with specific mutations in adult patients.

It was launched in India in 2017. Inventory holding on sales 64 days versus 74 days in 2023-24. Total revenue up by 29.3%, net sales up by 37.6%, material consumption to sales 45.89%. Employee costs as a percentage of sales is 18.64%. Debt, the company is a zero-debt company. Business segment the company has one business mainly healthcare. Let me move on. Shareholders who have registered themselves as speaker shareholders are invited to express their views or ask questions which they might have on the items of the business of the meeting.

The queries shall be responded after all the allowed speaker shareholders have raised their questions. The members who wish to speak are kindly requested to be brief in view of the available time. When referring to any item in the annual report, kindly indicate the page number. Please do not repeat the same question already asked by the shareholder. If I would request the moderator to unmute the speaker shareholder to begin the question-andanswer session.

Moderator: Thank you very much, sir. We will now unmute the speaker shareholders who have registered themselves as speakers during the AGM to enable them to express their views or ask questions. In the interest of time, we request individual speaker shareholders to limit their questions and views to a maximum of three minutes. Our first speaker shareholder Mr. Jamshed Patel or H.S. Patel had preregistered, however, has not joined the meeting. We will move on to our next speaker shareholder, Mr. J. Abhishek. Kindly accept the prompt on your screen. Unmute yourself, turn on your webcam and proceed with your question, sir. Mr. J. Abhishek. Yes sir, please proceed. We cannot hear.

J Abhishek: Well first of all, I congratulate the management on the eve of Annual General Body Meeting. I trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap, after completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brands in the respective segment.

Sir, our complete chairman speech and brief description was really excellent, and we are delighted to be the shareholders of AstraZeneca Pharma. Sir, we would like to have a factory visit, plant visit. So kindly arrange a plant visit for the investor fraternity. And shareholders are being asking for a plant visit for the past several years, management has not considered. So, I would request the management to kindly consider the plant visit for the investor fraternity in the upcoming year.

And our company has given an excellent profit, and it is all because of the hard work of the directors and the promoters in the company and the sincere efforts in bringing the company to this particular extent and rewarding the minority shareholders in large numbers. The company has a very good corporate governance practice. I do appreciate the management for that and the shareholders are eagerly waiting for a bonus issue, sir. So kindly try to consider that same and reward the minority shareholders in large numbers. So then what are the steps being taken by the management to reduce the other expenses, legal professional charges and the audit fees?

Sir, myself and my team are running a legal firm in the name and style of Associates. I would request the management to kindly enroll the firm in the empanelment of the company and we'll be glad to extend our services, sir.

Moderator: Sorry, Mr. Abhishek, can I interrupt you? We cannot hear you clearly. If you can speak a little louder and a little clearer slow up for us, please.

J Abhishek: Yes sure. Madam one is regarding the empanelment I just wanted to confirm with the management I can share the credentials for empanelment legal empanelment and what are the steps being taken by the management to reduce the other expenses, legal professional charges and audit fees I would like to know, sir. And kindly try to consider hybrid AGMs in the years to come sir because most of the senior citizens are not able to join because of the digital challenges in this virtual platform.

So if you can consider hybrid AGMs in the years to come, more number of shareholders can join in the meeting and we can get the valuable points suggestions and ideas that will be helpful for the management to empower in the future sir. Kindly consider hybrid in the coming future. And in the CSR fund, kindly try to help the needy, sir.

One of my friends is running an NGO so I can share the credentials. The management can check the criteria. If he's really eligible, the management can consider, sir. And nothing much to ask. I do appreciate the entire board of directors for their sincere efforts. I wish the company and the board of directors a great success and prosperity in the coming future. And thank you for giving the opportunity, sir. Hope to see you in the hybrid AGM next year. Thank you very much.

Narayan K Seshadri: Thank you.

Moderator: Thank you. Now I invite our next speaker shareholder, Mr. S. Padmanabhan, who has joined only through audio. Sir, may you proceed with your question now?

S Padmanabhan: My ID 301313-2028-5505. Why this company's market capitalization is not going up? For a long time, it is only simply lower and I'm having a share for the last 20 years. The company's market capitalization never goes up and the company has not rewarded us any bonus shares. Our buy backing the shares also you are not doing. Why you are not taking any steps towards the shareholder's welfare so far? Are you able to hear my voice?

Moderator: Yes, you are audible.

S Padmanabhan: Please ensure that welfare of the shareholders is taken care of. So that is more important. In our company, it never goes up like other companies. Sun pharma and other companies is shooting up in the prices and we are rewarding the shareholders. And you are not doing anything for the shareholders. I am getting another line. So with this, I am completing this talk. Please take this matter in a very vigorous manner in the coming year. Shareholders' activism will have to be done only in physical meetings. So you should be arranging a future onwards physical meetings at Bangalore.

Moderator: Thank you. Now we invite our next speaker shareholder, Mr. Prakash Chand Galada. Kindly accept the prompt on your screen, unmute your audio and video and proceed with your question, sir. Mr. Prakash. Sir, please proceed.

Prakash Chand Galada: I have done unmated. Is it okay.

Moderator: Yes, sir. Please proceed. Sir can you put your camera straight please for us?

Prakash Chand Galada: Straight yes. Any more guiding?

Moderator: Sir, this is fine. You may proceed now.

Prakash Chand Galada: Is it okay? Can you see me?

Moderator: Yes, sir. We can see you.

Prakash Chand Galada: You're able to see. Okay. I'm Prakash Galada. Good afternoon. I'm from Chennai. This meeting is comfortable to some extent, but not comfortable to more extent because it comes in between other meeting clashes and whatever is shown on the screen I'm disturbed by the text being typed by the moderator or the auto texting. So we are not able to even see.

And as you can see that there are no other screen than one small screen. Whereas in other these things, there will be eight screens, or 10 screens combined whichever we can enlarge. Not able to do even enlarge the gentleman's face also. Even now I'm trying, it is not happening. Anyway, this is the way of each company doing in a different way.

But better is the type text is coming good also, but it distracts sometimes what video you wanted to show and discuss on that, that we lost. He took a lot of pains to explain the video, not video maybe the slides, but still, we could not see that also comfortable. Anyway, the Annual Report has not reached to us. I don't know why. Whereas many of the companies we get the Annual Report immediately or a few days before at least.

Coming to the other company of pharma whether it is about Abbott, Pfizer or even Indian company or Dr. Reddy's or even this thing they are all paying very good dividend. Our company's dividend rate is also less. The market growth price is also less. Maybe our company is merging with some other companies. So the exact scenario of our company's performance, we are not able to understand without the Annual Report and the booklet what chairman said is being printed.

So why not you share with us the small booklet along with the Annual Report when you're sending? Because reading for senior citizen like us on a screen is very difficult. And we are not comfortable to, but we'll be comfortable to read the book anywhere. That is one of the good thing. So that is one. And you are able to send us a factory visit in a group, that'd be wonderful, anywhere in Chennai. So, I wind up with this and thank you very much and all the best to the company and our fellow shareholders who have been joining and speaking. If possible more people who can speak, I'll stop. Thank you.

Moderator: Thank you. Now we invite our next speaker shareholder, Mr. A.V. Mani Sundaram to kindly accept the prompt on his screen. Unmute his audio and video and proceed with his question. Sir please proceed. Mr. Mani Sundaram we are not able to hear you sir.

AV Mani Sundaram: My name is Mani Sundaram. I'm very happy to attend this meeting by means of video conference. 45th Annual General Body Meeting of AstraZeneca Pharma India Limited. More the shareholders are expecting company's development and also return of the small investor. Previously told about previous speaker also told and we have done good target and also good CSR activity and good visibility in Annual Reports. We are requesting plant visit and also your pharma company. Are you conducting any CSR activity, medical camps?

If it is possible, in future please inform to the shareholder we can also participate and support the CSR activities. And we are happy to attend the meeting by means of video conference. Next year, have physical meeting or hybrid meeting. Please consider hospitality of sweet box or dry fruits. Go attend the meeting by means of video conference. Please consider and issue as early as possible. Thank you, thanks a lot. We supported our board. We voted favor to the board. We always support to the management. Thank you, thanks a lot. Next year, please consider hybrid meeting or a physical meeting. Thank you, thanks a lot.

Moderator: Thank you. Our next speaker shareholders, Mr. P. Jaichand and Gaurav Leeladhar Rozadkar had pre-registered, however, has not joined the meeting. We now invite Mr. Satish Bhatt to kindly accept the prompt on his screen, unmute his audio and video and proceed with the question.

Satish Bhatt: Hello.

Moderator: Yes, sir, please proceed.

Satish Bhatt: Can you hear me?

Moderator: Yes, sir, we can hear you.

Satish Bhatt: Just at the onset I will congratulate the entire team for the fabulous top line growth which has been one of the best in the industry and I am also grateful to the new MD Mr. Panchal for making an excellent presentation of the way we are going forward for the future growth year.

Moderator: Sir, I'm sorry to interrupt you. You're not visible. Can you please adjust your camera a little bit?

Satish Bhatt: Now it's visible?

Moderator: Yes, sir, please proceed.

Satish Bhatt: Yes, so that is it. And I'm grateful to our outgoing Chairman, Mr. Seshadri under whose tenure we first crossed the milestone of Rs. 1,000 crores. I remember a few AGMs back when Mr. Chairman categorically stated that the vision of this company is to introduce innovative products in the long run and try to be one of the fastest-growing MNCs in this country and you even had targets that this company is not going to be in millions of dollars. It has to reach billions of dollars maybe a longer period of time. In the way I think the Chairman has and the MD has shown the presentation, I think we are in for that.

Sir, definitely we'd like to see you once again maybe a Non-Executive Chairman or a Non-Independent Director. So, I think you can see this company crossing a billion-dollar mark which you had a vision maybe a few years back. We would love to see that to be part in some form at the board level that's our thing. Sir, this is a question to the MD and the CFO. Two months back your parent had given guidance of USD80 billion by year 2030. I just wanted to know whether our Indian subsidiary had some role to play in that USD80 billion.

And currently we may be quite insignificant in the overall scheme of parents sales, but in terms of incremental sales which parent is going to generate around USD40-odd billion of sales whether we have plans to reach around 2% to 3% of their incremental sales maybe in the next 7 to 8 years. If management and the CFO can throw some light on that. And sir in the first quarter, I'm happy that you have shown a sequentially flat growth because ours is a total chronic company where we have to see our growth on a sequential basis. And I think Lynparza has gone off patent in the first quarter. So what was the growth ex Lynparza, if management can throw light on that, because the results are just out. And maybe we don't have to wait until the next AGM to get the answer on that. So that would be better if you can throw some light on that. And sir, in the Q1 numbers, you have written off some cost of plant around Rs. 57 crores.

I just wanted to know whether it's going to be the VRS that you're going to offer to your employees of the plant, or what is the nature of this cost? And this is a very great plant situated near the airport and it's quite a prime property.

So, I just wanted to know what kind of realizations company is expected to get in the next 12 or 15 months when the entire sale happens. And sir, thanks to all the Board of Directors for increasing the dividend to Rs. 24. And I have already given my set of questions to Manasa to be answered. If you want, I can refurbish the entire question. If you can reply on all the questions which have been given, it will be quite grateful to that.

Narayan K Seshadri: Yes, we've got the questions, so we will take care of it, not an issue.

Satish Bhatt: Okay, thank you, sir. And Mr. Seshadri, we'd like to see you at the next AGM also.

Narayan K Seshadri: Okay, I'll buy a share and turn up there. Thank you, thank you very much.

Moderator: Thank you. Now we invite our next speaker shareholder, Mr. Harsh Bhatia to kindly accept the prompt on his screen, unmute his audio and video, and proceed with his question.

Harsh Bhatia: Sorry, there is some problem with my camera, so, sorry I won't be able to switch that on. I had couple of questions and without wasting time I l get on to it. One is, can you explain the reasons for a gross margin decline in the last two quarters of financial year 23-24? And even in this quarter, which is quarter one of FY25, the results have just been declared or have been out. So maybe you can comment on why the gross margins keep on declining. That's one.

Second is, with the reduction in custom duty of our cancer drugs, how do you see this reduction as? Will you pass this benefit on to the patients to make their drugs more affordable, or how should we think about that? That's question number two.

And the last question is, last year, same time in the AGM, your ranking was number three. And even this time, despite growing at 42% in the oncology segment, your ranking has stayed at number three. So, any specific plans to improve the ranking or take our ranking over there up? So these are my three questions, that's it. Thank you so much for the opportunity, and best wishes.

Narayan K Seshadri: Thank you.

Moderator: Thank you. We have now heard from all the speaker shareholders. I now hand it over to Mr. Narayan K Seshadri. Over to you, sir.

Narayan K Seshadri: Thank you. Firstly, I thank all the shareholders who have taken time and effort to prepare to ask these questions or share their views for the company and its performance. Some of the suggestions are similar in nature, and I will try and give a consolidated, if you like, answer to some of them.

And there are other specific questions which we can specifically respond, or I'll request Sanjeev or Bhavana to respond. So far as the overall operations are concerned, there is a continued effort to make sure that there is growth, there is a reduction or management of expenses, and at the same time, ensuring that the overall benefit, insofar as all the stakeholders are concerned, are properly taken care of. There was particular mention of the share price not going up or the market cap not going up.

During the last several years, the market cap has definitely gone up, and it is seen to be one of the higher-performing companies, so to speak. Then the dividend, as Mr. Bhatt basically mentioned, there is a clear increase in dividend which is being paid out.

The investments are required insofar as ongoing activity is concerned, to that extent, there will be continued sort of watch over what is the level of dividend we pay out, etc, but I'm sure, going into the future as well, there is going to be some good dividend payment which will be made. I'm not in any way forecasting or making any forward statement, but management is sure to sort of look at what would be the best position to take, and so far as those things are concerned.

We do note the fact that there is a lot of requests for hybrid AGM. We will look at it and figure out what can be done about it. Going on to some specific questions here.

The brand sales, Satish, you had asked for, I already shared in my presentation when I spoke about it. There is a question on sales under PAP for oncology. As I'm sure you appreciate, it is more an access program rather than something which is established to sort of improve sales or anything like that.

We normally don't look at the revenue from PAP because it may not necessarily be the right way to sort of view it. We look at more the kind of access which is provided rather than what the revenue is. In so far as the custom duty aspect is concerned, I'll get Sanjeev to respond. I'm sure they are taking all the measures to try and see what can be done in so far as that is concerned.

Sanjeev Panchal: Yes, first of all, thank you for the question. When the government announced it was a pivotal announcement by the government to fully exempt three more medicines from custom duties to provide relief to cancer patients, and it's a really welcome step. So what we are doing is we, first of all, we deeply appreciate this decision because we believe this can help our patients in India. And we are now working on how the benefit can be passed to the patients in our country that will help expand the access to our medicine. And once we have done that, that would be communicated as well.

Narayan K Seshadri: Okay, well, continuing with that, why don't you respond also to that 80 billion what is India's participation? If I may, before I get Sanjeev's thing, obviously India is a part of AstraZeneca and will contribute to whatever growth global is looking at. And we have put in a 1.4 billion people in this country and healthcare is increasingly becoming very important in everybody's agenda. So, there is bound to be a lot more participation in so far as that growth is concerned. And as Sanjeev already described in his presentation, the idea is to bring as many innovative possibilities into India as quickly as possible. So, with those kinds of objectives and the access programs which they're working on, I'm sure the way in which India would contribute to global growth is definitely going to be better.

Sanjeev Panchal: Yes, thank you very much. So, the global which announced the 80 billion ambition is an estimated ambition announced by AstraZeneca globally. And of course, every country has and will play a crucial role in contributing to the overall performance of the company. India, as you would see that recent launches which we shared during the presentation both from the chairperson and myself, the recent launches and collaborations is helping to improve the access. And we believe that by the time in 2030, India would be a larger contributor from what it is currently.

We can't make the forward-looking statement, but for sure, if we want to bring innovative medicines to India faster, which will help grow our organization, it's already doing a 30% and it will contribute more by 2030 versus what we are doing today.

Narayan K Seshadri: Great, thank you. Bhavana, would you like to respond to this first quarter and future growth kind of a thing, about the gross margin issues?

Bhavana Agrawal: Yes, so I'll take a question from Mr. Satish as well on the first quarter revenue growth excluding Lynparza. So, quarter on quarter basis, excluding Lynparza as well, we've got 8% growth at a company level. But obviously, if you look at last year, same period and the numbers now, we have grown versus last year, excluding Lynparza at about 45%. That's the first question.

And second, there was a question around our gross margin decline. I think I would like to reiterate that we are a company which is focusing on revenue growth and also improving access to the patients. And all these changes in the gross margin material cost can happen because of the mixed changes and the fact that we are becoming a specialist organization which is more focusing on the trading products. All our related party transactions and prices are all undertaken at arm's length transaction.

Narayan K Seshadri: Satish also asked about the exceptional charge in the accounts. It is a bundle of various expenses which has been estimated at this point in time. And it includes employee related aspects and various others as well. It may not be appropriate to sort of break it down at this point in time. Therefore, that is something which is not done. And so far as the other question about the land and its future value, etc., again, it's going to be a very speculative kind of response if I were to do anything at this point in time.

I'm sure as everybody would appreciate, it is a valuable asset. We have to go through the right process to take care of it. And that is something which management is ensuring that it will do the right thing with them.

Okay, there were very specific questions about deferred revenue and current liabilities. Is it related to PAP? It actually is the Mankind Pharma arrangement which we are now taking account of.

From this year onward, there will be a certain level of amortization or recognition each year for a period of time. And that will basically take care of the deferred revenue part of it. Cost savings on account of closure of plant. Obviously, as we go along, when we looked at it and we took the decision to sort of do away with the plant, there was clearly a question of what is the benefit which we are going to get? And it has been worked out at individual product level, etc. And as the thing happens, we will see the benefits flow through.

Again, I don't want to comment on the exact percentage or any of those kinds of things at this point in time. The current sales force for the company, what it is, I had shared that there are 940 or 945 employees as of now, 58% is in sales force.

As I'm sure you would appreciate with the pipeline, with the requirements of the kind of molecules we are introducing, etc., there is going to be an ongoing assessment and a change which will be something which will happen. Insofar as any similar deal to Mankind for older products, well, again, that is something which I'm sure management will keep their eyes open insofar as what they do as they go along. Again, it's very difficult to say, look, this is what is going to happen today or tomorrow. But, the fact is that the willingness to look at new business models to reach the product to different levels within the country is something which we need to note and go with.

Strategy on rare drug, I think, again, Sanjeev in his presentation had brought out the fact that, rare disease is the focus and what needs to be done in some of that is concerned. I think that basically addresses all the questions that have been raised.

If there are any other questions which need to be responded to, you can send an email to the company secretary and appropriate responses will be given to you.

I would like to now thank all the members for their interest in the company, as I said before, and hopefully this will continue as we move along over the next few years when the company is expected to grow. Finally, this concludes the business of the day.

As informed before the e-voting facility would close after 30 minutes, the results of the remote e-voting will be declared before Sunday, August 12th 2024, after receipt of the scrutinizers consolidated report. The results shall be placed on the company's website and will be intimated to the stock exchanges. I would like to again thank all of you, each one of you, for being with us this afternoon. I wish the shareholders all the very best, good health and stay safe.

I now declare the meeting to be closed.

(After 30 minutes)

Moderator: Dear Shareholders, the time for e-voting has come to an end. Thank you all for attending the 45th Annual General Meeting of AstraZeneca Pharma India Limited