

TRANSCRIPT OF THE PROCEEDINGS OF THE 22ND ANNUAL GENERAL MEETING OF WOCKHARDT LIMITED HELD THROUGH VIDEO CONFERENCING/OTHER AUDIO VISUAL MEANS ON MONDAY, 2ND AUGUST, 2021 AT 11.00 A.M.

Welcome Address

Dr. H. F. Khorakiwala, Chairman:

A very good morning to all of you.

I extend a hearty welcome to all of you at the 22nd Annual General Meeting of the Company which is being held through Video Conferencing/Other Audio Visual Means due to COVID-19 pandemic in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Accordingly, this meeting shall be deemed to be held from the registered office of the Company that is D-4, MIDC, Chikalthana, Maharashtra, India.

Since the requisite quorum is present, I call the meeting to order.

Before I start with the proceedings of the Meeting, I would like to inform you that Mr. Akhilesh Gupta, Additional Director (Independent) is unable to join this meeting due to a personal emergency in his family. Other than Mr. Gupta all remaining Board Members, Chief Financial Officer & Company Secretary are participating in this Annual General Meeting from their respective locations.

I therefore welcome them and request them to introduce themselves to the shareholders.

To begin with Mr. Aman Mehta, who is the Senior Most member on our Board. He has been the CEO of HSBC Asia and one of the Financial Wizards in the Country. Mr. Aman Mehta...

Mr. Aman Mehta:

Thank you. Good morning all. My name is Aman Mehta. I am an Independent Director and Chairman of the Audit Committee of the Board. I am attending this AGM from my residence in New Delhi. Thank you.

Dr. H. F. Khorakiwala:

Now I have pleasure to introduce and ask Mr. Devendra. Brar, who is an Iconic name in our Pharma Industry and is the chair of GVK Science. Devendra...

Mr. D. S. Brar:

Good morning everybody. I am Davinder Singh Brar, Independent Director and Chairman of the Nomination and Remuneration Committee of the Company. I am attending the AGM from my office in New Delhi. Thank you.

Dr. H. F. Khorakiwala:

Now, Dr. Sanjaya Baru. As many of you know he is an Economist and an Author. One of his famous books is on the Prime Minister, Manmohan Singh, where he was a part of the Government. Sanjaya...

Dr. Sanjaya Baru:

Good morning Chairman and everybody, I am Sanjaya Baru. I am at home in New Delhi. I am an Independent Director and Chairman of the Stakeholders Relationship Committee. Thank you

Dr. H. F. Khorakiwala:

Now we have Mrs. Tasneem Mehta, She has been associated with many cultural organisations, both, in India & USA. She brings a very unique dimension to our Board. Tasneem...

Mrs. Tasneem Mehta:

Good morning all. I am Tasneem Mehta, Independent Director and I am attending this AGM from my residence in Mumbai. Thank you.

Dr. H. F. Khorakiwala:

Next is Mr. Vinesh Kumar Jairath, He is an IAS Officer and was Secretary to the Government of Maharashtra. He is a Board Member of the many leading Companies in the Country. Vinesh...

Mr. Vinesh Kumar Jairath:

Good morning ladies and gentlemen. I am an Independent Director on the Board of Wockhardt Limited and I am attending this AGM from my home in Mumbai. Thank you.

Dr. H. F. Khorakiwala:

Now we have Mrs. Rima Marphatia who is representing Exim Bank on our Board. Rima...

Mrs. Rima Marphatia:

Good morning. I am Rima Marphatia, Nominee Director and I am attending this AGM from my office in Mumbai. Thank you.

Dr. H. F. Khorakiwala:

Next is Dr. Huzaifa Khorakiwala who is an Executive Director of the Company and he is also the CEO of Wockhardt Foundation. Huzaifa...

Dr. Huzaifa Khorakiwala:

Good morning everyone. I am Dr. Huzaifa Khorakiwala. I am an Executive Director and part of the CSR Committee; and I look after Wockhardt Foundation. Thank you.

Dr. H. F. Khorakiwala:

Next is your Managing Director, Dr. Murtaza Khorakiwala. Murtaza...

Dr. Murtaza Khorakiwala:

Good morning everyone. This is Dr. Murtaza Khorakiwala. I am the Managing Director of Wockhardt and I am joining the AGM from Hotel in New York. Good morning to all of you.

Dr. H. F. Khorakiwala:

Zahabiya Khorakiwala, she is the Managing Director of Wockhardt Hospitals. Zahabiya...

Ms. Zahabiya Khorakiwala:

Good morning everyone. I am Zahabiya Khorakiwala. I am a Non-Executive Director and I am joining this AGM from home in Mumbai. Good morning.

Dr. H. F. Khorakiwala:

Mr. Manas Datta is the Chief Financial Officer. Manas...

Mr. Manas Datta:

Good morning everybody. I am Manas Datta. I am the Chief Financial Officer, attending this AGM from our Office in Mumbai. Thank you.

Dr. H. F. Khorakiwala:

We have now Debashis Dey who has recently joined us as Company Secretary. Debashis...

Mr. Debashis Dey:

Thank you Sir. Good morning everyone. I am Debashis Dey, Company Secretary and I am attending this AGM from our Global Headquarters in Mumbai. Thank you.

Dr. H. F. Khorakiwala:

Apart from the Directors, Chief Financial Officer and Company Secretary, I also welcome the representatives of the Statutory Auditors and Secretarial Auditors of the Company, who have joined the meeting.

The Notice dated 27th May, 2021 convening this Annual General Meeting and copy of the Annual Report for the Financial Year ended 31st March, 2021 has already been circulated to the members of the Company electronically, therefore with the permission of the members, I take the same as read.

Pursuant to Section 145 of the Companies Act, 2013, there is no requirement to read the Independent Auditors' Report or the Secretarial Auditors Report, as the same does not contain any qualification, observation or comment.

The Register of Directors and Key Managerial Personnel and their shareholding; and Register of Contracts and Arrangements in which the Directors are deemed to be interested, have been made available electronically for the inspection by the members during the AGM.

The Company had given the option and has received requests from a few members to register themselves as speakers at the Meeting. Accordingly, the platform will be open for these members to allow them to ask questions or express their views. Members who have not registered as a speaker, but have any questions, may write to the Company and we shall respond to him suitably.

The Company had provided the facility to the members to cast their votes electronically on all resolutions proposed in the Notice convening the AGM through remote e-voting from Wednesday, 28th July, 2021 at 9.00 a.m. (IST) to Sunday, 1st August, 2021 at 5.00 p.m. (IST). Members who have not cast their vote electronically and are participating in this meeting shall have an opportunity to cast their vote during the Meeting through the E-voting system provided by NSDL which is now open and shall remain open for 15 minutes after the conclusion of the proceedings of the AGM.

As the resolutions mentioned in the Notice convening this AGM have been already put to vote through the remote e-voting, there will be no proposing and seconding of the resolutions.

Chairman's Speech

My dear shareowners, friends, and distinguished guests, welcome to the Annual General Meeting of Wockhardt Limited.

I trust and pray that you are all safe, healthy, and following all precautionary protocols to protect yourselves from infection.

This is the second AGM of Wockhardt Limited that is being held on a virtual platform in real time, highlighting the important and critical role played by technology in our lives and businesses. The leveraging of technology to mitigate organisational disruption and maintain business continuity, remains integral to Wockhardt's endeavours to build business immunity against disruption caused by unprecedented calamities and disasters, medical or otherwise.

The financial year under review, FY 2020-21, has been an eventful one, for the world as well as Wockhardt.

As we entered a second year of business operations under the constraints, restrictions, and limitations of pandemic-related protocols, we continued to maximise our digital efforts to minimise business disruption. We developed and deployed several technology-based solutions across functions and departments globally, to optimise resources and keep operations running. Be it a digital platform for marketing and communications outreach, or building infrastructure enabling virtual audits for regulatory compliance, we strove to ensure business continuity.

In FY 2020-21, Wockhardt achieved consolidated revenues of Rs 2,762 crore as compared to Rs 3,325 crore in FY 2019-20. We reported a Profit After Tax (PAT) of Rs 686 crore as against a loss of Rs 69 crore in the previous year. This includes Profit in connection with the transfer of a part of domestic business to Dr. Reddy's Laboratories Limited ("DRL"), as was reported last year, and which was completed in Q1 of FY21.

At 83% this fiscal, our international business continued to account for a majority of our total revenues, with the EU & UK, US, and Emerging Markets, accounting for 46%, 16%, and 21% of total revenues respectively. Our India business stood at 17% of total sales.

As on March 31, 2021, our Net Debt stood at Rs 2,040 crore as against Rs 2,945 crore as on March 31, 2020. Currently, Net Debt to Equity Ratio is 0.54 as against 0.96 as on March 31, 2020. These numbers are inclusive of continuing and discontinued operations of Consolidated Financials.

On the compliance front, we successfully completed a number of virtual audits across our various facilities with several regulatory authorities like WHO GMP, Russian GMP, MHRA GMP, HPRA GMP, ISO 13485, Indian FDA, etc.

During the year, all Wockhardt Hospitals in Mumbai Central, Mira Road, Nagpur, Rajkot, and Nashik, emerged as COVID-19 hospitals, providing best-in-class clinical treatment for infected patients. By the end of FY 2020-21, we had treated nearly 10,000 COVID-19 patients with a low mortality rate of around 5.8%, against an approximately 17% global mortality rate, as indicated by studies. Wockhardt Hospitals is also facilitating India's vaccination drive and have vaccinated over 1.5 lac people till date.

As part of its Corporate Social Responsibility (CSR) activities, driven by Wockhardt Foundation in tandem with Wockhardt Hospitals and other corporate partners, Wockhardt implemented several initiatives across healthcare, education, sanitation, and skill development, to touch over 74 million lives this year.

As you are well aware, Research & Development has been our mainstay throughout. A dedicated team of over 500 scientists across our three R&D centres in UK, India, and the US, are focussed on pharmaceutical generics, biotechnology, and new drug discovery.

Our success and achievement in the anti-infectives space is well documented. Last year we launched two new antibiotics, EMROK (IV) and EMROK O (Oral) for acute bacterial skin and skin structure infections including diabetic foot infections. I am happy to inform that both these drugs have received positive reviews amongst the medical fraternity.

As it scores over all other existing antibiotics on safety and efficacy parameters, we aim to soon become the Number 1 prescribed Anti-MRSA and Gram positive agent in all hospitals countrywide.

We now have four New Chemical Entities (NCEs), under development as breakthrough antibiotics with QIDP status from US FDA, at various stages of clinical studies. I'd like to give you all an update. Phase 3 study for WCK 4873 commenced in India from February 2021. Global Phase 3 study for WCK 5222 is planned to be initiated in the second half of 2021. Phase 3 study for WCK 4282 in Europe and India, is scheduled to commence in either Q4 2021 or Q1 2022.

We continue to build our Intellectual Property (IP) base. During the year, we were granted 41 patents, taking our cumulative patents filed to 3,187 and cumulative patents granted to 763. Reason enough for our R&D spends of Rs 265 crore, inclusive of capital expenditure, accounting for 9.6% of sales.

FY 2020-21, has been characterised by the race to discover and create effective vaccines against the SARS-CoV-2 virus to stop the COVID-19 pandemic worldwide.

And the results are a gratifying testimony to the global solidarity displayed by pharmaceutical companies, research scientists, doctors, regulatory bodies, and governments, collaborating and cooperating to save mankind. According to the World Health Organization (WHO), there are 13 different vaccines across 4 platforms that are being administered globally, and there are several more under process of evaluation by WHO for emergency use.

In December 2020, the United Kingdom launched the world's first mass vaccination programme, and several nations across the world have followed suit. As you are aware, Wockhardt has inked an agreement with the UK government to fill-finish and supply multiple COVID-19 vaccines at its Wrexham facility in North Wales. The original agreement has been extended till August 2022. It is a matter of pride, and a testimony to our world-class facilities, that our Wrexham facility at North Wales was doubly honoured to host, first, the Prime Minister of UK, Mr Boris Johnson, and later, the Prince of Wales and the heir apparent to the British Monarchy, Prince Charles, when they visited the facility. The Prime Minister went on to mention and praise Wockhardt's efforts while answering questions at the House of Commons.

In January 2021, India rolled out the world's largest vaccination drive aiming to vaccinate around 300 million priority groups against the coronavirus disease (COVID-19). These vaccines help protect against the disease by developing an immune response to the SARS-CoV-2 virus. Developing immunity through vaccination reduces the risk of developing the illness and its consequences and helps fight the virus if exposed. COVID-19 vaccination will help save lives, stabilise healthcare systems and drive economic recovery, but COVID-appropriate social behaviour must be followed till vaccines are freely available and the pandemic is over. Getting vaccinated will also protect the people around you because if you are protected from getting infected, you are less likely to infect someone else. I urge you all, not to fall prey to 'vaccine hesitancy', and to get immunised as soon as possible.

Through our Wockhardt Foundation we have reached 4,000 villages with Doctors and medicines and touched 3 million lives.

In conclusion, I will say that there is enough reason to be optimistic about a full-fledged, post-pandemic recovery, for the world, for India, and for Wockhardt.

In due course, we will revive and thrive in our mission of growing, delivering stakeholder value, and making a difference in the lives of people the world over.

I and the Board of Directors, sincerely thank all Wockhardt shareowners, associates, the medical and financial communities, and our vendor associates, for their support, cooperation and good wishes.

God bless us all.

Resolutions

Dr. H. F. Khorakiwala and Mr. Aman Mehta presented the resolutions set out in the Notice of AGM.

Q&A Session

The Chairman then requested the following Members who had registered themselves to raise their queries or express their views:

1. Mr. Tushar D'Souza
2. Mrs. Celestine Mascarenhas
3. Mr. Aloysius Mascarenhas
4. Mr. Gautam Tiwari
5. Mr. Ketan Seth
6. Ms. Lekha Shah
7. Mr. Bharat Shah
8. Ms. Smita Shah
9. Ms. Swechcha Jain

10. Mr. Bimal Panchal

11. Mr. Vinod Agarwal

12. Mr. Yusuf Rangwala

Members raised various queries and expressed their views. The Chairman thanked the Members for their views and suggestions; and thereafter he replied to the queries raised by the members one-by-one in detail.

Vote of Thanks

Dr. H. F. Khorakiwala:

All the items of today's AGM have now been transacted.

The combined results of the remote e-voting and voting at the AGM along with the Scrutinizer's Report shall be submitted to the Stock Exchanges within 48 hours of the conclusion of the AGM. The results shall also be placed on the websites of the Company and NSDL.

Thank you very much for your participation and continued support. Looking forward to meet you next year.
