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BOARD MEETING MINUTES

BIOPHARMA INDUSTRIES LIMITED

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CIN: U24230MH2012PLC234567

Registered Office: Plot No. 234-235, MIDC Industrial Area, Thane-Belapur Road,

Rabale, Thane - 400701, Maharashtra

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MEETING NO. 48 - BOARD OF DIRECTORS

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Date: September 15, 2025

Time: 3:00 PM to 6:30 PM IST

Venue: Board Room, Registered Office, Thane

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DIRECTORS PRESENT:

1. Dr. Ramesh Narayan Kulkarni - Managing Director (Chairman of the Meeting)
2. Mrs. Sunita Ramesh Kulkarni - Whole-Time Director
3. Mr. Anil Shankar Joshi - Independent Director
4. Mrs. Priya Suresh Menon - Independent Director
5. Dr. Vikram Anand Rao - Non-Executive Director
6. Mr. Sandeep Kumar Agarwal - Independent Director

DIRECTORS ABSENT WITH LEAVE:

Nil

IN ATTENDANCE:

1. Mr. Rajesh Sharma — Chief Financial Officer
2. Ms. Kavita Patel — Company Secretary

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LEAVE OF ABSENCE:

All Directors were present at the meeting. No leave of absence was granted.

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QUORUM:

The Company Secretary confirmed that the required quorum was present throughout the meeting in terms of Section 174 of the Companies Act, 2013.

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CHAIRMAN:

Dr. Ramesh Narayan Kulkarni, Managing Director, with the consent of all members present, took the Chair.

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AGENDA ITEMS:

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ITEM NO. 1: CONFIRMATION OF MINUTES OF PREVIOUS MEETING
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The Chairman placed before the Board the minutes of the 47th Meeting of the Board of Directors held on June 10, 2025.

RESOLVED THAT the minutes of the 47th Meeting of the Board of Directors held on June 10, 2025, be and are hereby confirmed and approved.

The minutes were signed by the Chairman.

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ITEM NO. 2: REVIEW OF ACTION ITEMS FROM PREVIOUS MEETING
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The Company Secretary presented the status of action items from the previous meeting:

1. US FDA Pre-Submission Meeting - Completed. Meeting held on August 20, 2025. FDA provided positive feedback on ANDA submission timeline.

2. WHO-GMP Re-certification Audit - Completed successfully on August 28-30, 2025. Certificate renewal received with zero critical observations.

3. Baddi Facility Expansion - Construction 75% complete. On track for December 2025 completion.

4. New Product Launch - Azithromycin 500mg tablets launched in July 2025. Initial market response positive.

The Board noted the status of action items.

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ITEM NO. 3: REVIEW OF QUARTERLY FINANCIAL RESULTS (Q2 FY 2025-26)

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Mr. Rajesh Sharma, CFO, presented the unaudited financial results for the quarter ended September 30, 2025:

KEY HIGHLIGHTS:

| | Q2 FY26 | Q2 FY25 | YoY Growth |
|---|---|---|---|
| Revenue from Operations | Rs. 89 Cr | Rs. 78 Cr | 14.1% |
| EBITDA | Rs. 10.2 Cr | Rs. 8.1 Cr | 25.9% |
| EBITDA Margin | 11.5% | 10.4% | 110 bps |
| Net Profit | Rs. 5.8 Cr | Rs. 4.2 Cr | 38.1% |
| Net Profit Margin | 6.5% | 5.4% | 110 bps |

SEGMENT-WISE REVENUE:

Domestic Formulations: Rs. 52 Cr (58%)
Export Formulations: Rs. 37 Cr (42%)

KEY OBSERVATIONS:

1. Export revenue grew 22% YoY driven by increased demand from African markets
2. Domestic growth was 8% due to price erosion in anti-diabetic segment
3. Raw material costs reduced by 3% due to better procurement strategies
4. R&D expenses increased to Rs. 2.4 Cr (2.7% of revenue) for new ANDA filings

The Board discussed the financial performance and noted the following:
- Strong export performance needs to be sustained with new market registrations
- Domestic market requires focus on new product launches in specialty segments
- Working capital management has improved with receivables days reducing to 62

RESOLVED THAT the unaudited financial results for the quarter ended September 30, 2025, be and are hereby approved and taken on record.

FURTHER RESOLVED THAT the financial results be submitted to the Stock Exchanges (if applicable) and published in newspapers as required.

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ITEM NO. 4: US FDA ANDA FILING STATUS UPDATE
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Dr. Ramesh Kulkarni presented an update on US FDA regulatory activities:

CURRENT ANDA PORTFOLIO STATUS:

1. Metformin Hydrochloride ER 500mg/750mg/1000mg - APPROVED (June 2024)
2. Amlodipine Besylate 2.5mg/5mg/10mg - APPROVED (January 2025)
3. Atorvastatin Calcium 10mg/20mg/40mg/80mg - Under Review (Filed Dec 2024)
4. Omeprazole DR 20mg/40mg - Under Review (Filed March 2025)
5. Losartan Potassium 25mg/50mg/100mg - Tentative Approval (April 2025)
6. Lisinopril 5mg/10mg/20mg/40mg - Tentative Approval (August 2025)
7. Gabapentin 100mg/300mg/400mg - Deficiency Letter Received (July 2025)
8. Metoprolol Succinate ER 25mg/50mg/100mg/200mg - Filed September 2025

GABAPENTIN DEFICIENCY LETTER UPDATE:

- FDA issued Complete Response Letter citing dissolution data concerns
- Company has reviewed the observations and identified root cause
- Revised dissolution method validated
- Amendment to be filed by October 31, 2025
- Legal opinion confirms no patent barriers upon approval

NEW ANDA FILINGS PLANNED:

- 4 additional ANDAs planned for FY 2025-26

- Focus on high-value generic molecules with limited competition
- R&D team has completed bioequivalence studies for 2 products

The Board discussed the US market strategy and noted:
- Priority to be given to resolving Gabapentin deficiency
- Pre-submission meetings with FDA for complex generics
- Importance of US FDA facility inspection preparation

RESOLVED THAT the US FDA ANDA filing status be and is hereby noted and the management be authorized to take all necessary actions for successful approvals.

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ITEM NO. 5: WHO-GMP RE-CERTIFICATION AND QUALITY UPDATE
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Mrs. Sunita Kulkarni presented the quality and regulatory compliance update:

WHO-GMP RE-CERTIFICATION (THANE FACILITY):

- Audit conducted: August 28-30, 2025
- Audit team: 3 WHO inspectors
- Outcome: Certificate renewed for 3 years (Valid until August 2028)
- Observations: Zero critical, 2 minor observations (both closed)

MINOR OBSERVATIONS AND CLOSURE:

1. Temperature excursion in stability chamber (power fluctuation) - UPS capacity upgraded, backup generator added
2. One SOP pending periodic review - Completed and approved

STATE DRUG CONTROLLER INSPECTION (THANE):

- Routine inspection: July 15, 2025
- Outcome: No adverse observations
- License renewed for 5 years (Valid until March 2028)

BADDI FACILITY INSPECTION:

- Himachal Pradesh Drug Controller inspection: August 5, 2025
- Minor observation on equipment log maintenance - Corrected immediately
- Facility compliant with all regulatory requirements

QUALITY METRICS Q2 FY26:

- Batch Failure Rate: 0.2% (Target: <1%)
- Customer Complaints: 12 (vs 18 in Q2 FY25)
- Product Recalls: Nil
- OOS (Out of Specification) Investigations: 8 (all closed satisfactorily)
- CAPA Closure Rate: 94%

ADVERSE DRUG REACTION REPORTING:

- ADRs reported to CDSCO in Q2: 4 (all non-serious, expected reactions)
- No safety signals identified requiring label updates

RESOLVED THAT the quality and regulatory compliance status be and is hereby noted with satisfaction.

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ITEM NO. 6: BADDI FACILITY EXPANSION PROJECT UPDATE
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Dr. Ramesh Kulkarni presented the status of the Baddi manufacturing facility expansion project:

PROJECT OVERVIEW:

- Objective: Increase liquid oral production capacity by 50%
- Investment: Rs. 28 Crores
- New Capacity: Additional 100 million bottles per annum
- Construction Start: January 2025
- Expected Completion: December 2025
- Commercial Production: February 2026

CURRENT STATUS:

- Civil construction: 85% complete
- Utility installation (HVAC, water systems, ETP): 60% complete
- Equipment procurement: All orders placed, delivery scheduled Oct-Nov 2025
- Regulatory filing: Site Master File update prepared for CDSCO submission

KEY MILESTONES ACHIEVED:

1. Environment clearance from Himachal Pradesh Pollution Control Board - Obtained
2. Factory plan approval - Obtained
3. Structural audit clearance - Completed
4. Major equipment (filling lines, labeling machines) - Shipped from suppliers

CHALLENGES:

- Slight delay in HVAC contractor delivery (2 weeks)
- Impact assessment: Minimal, will be recovered in commissioning phase

FINANCIAL UPDATE:

- Budget: Rs. 28 Crores
- Spent to date: Rs. 19.5 Crores (70%)

- Committed but not spent: Rs. 7.5 Crores
- Expected to be within budget

RESOLVED THAT the Baddi facility expansion project status be and is hereby noted and the management be authorized to complete the project within the approved budget and timeline.

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ITEM NO. 7: NEW PRODUCT LAUNCHES AND PIPELINE
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Mrs. Sunita Kulkarni presented the product launch update:

RECENT PRODUCT LAUNCHES (Q1-Q2 FY26):

1. Azithromycin 500mg Tablets (July 2025)
- Target market: Domestic institutional and retail
- First quarter sales: Rs. 1.2 Crores
- Market response: Positive

2. Cefixime 200mg Dispersible Tablets (August 2025)
- Export focus: Africa and Southeast Asia
- Initial orders: Rs. 2.8 Crores

3. Pantoprazole 40mg + Domperidone 30mg SR Capsules (September 2025)
- Specialty gastroenterology segment
- Premium pricing strategy

PIPELINE PRODUCTS (FY 2025-26):

1. Rosuvastatin Calcium 5mg/10mg/20mg/40mg Tablets - Q3 launch
2. Telmisartan 20mg/40mg/80mg Tablets - Q3 launch

3. Montelukast 10mg + Levocetirizine 5mg Tablets - Q4 launch
4. Dapagliflozin 5mg/10mg Tablets - Filing with DCGI in progress

R&D PIPELINE STRENGTH:

- Products under development: 15
- Bioequivalence studies planned in FY26: 6
- ANDA filings planned: 4

RESOLVED THAT the product launch and pipeline update be and is hereby noted and the R&D and regulatory teams be commended for their efforts.

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ITEM NO. 8: EXPORT MARKET EXPANSION STRATEGY
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Dr. Vikram Rao presented the export strategy and market expansion plans:

CURRENT EXPORT MARKETS:

- Active registrations in 23 countries
- Key markets: Kenya, Nigeria, Philippines, Vietnam, Sri Lanka
- Export revenue FY25: Rs. 112 Crores (38% of total revenue)
- Export revenue H1 FY26: Rs. 68 Crores (42% of half-year revenue)

NEW MARKET ENTRY PLANS:

1. BRAZIL (ANVISA Registration)
- Products: 5 formulations
- Filing: Q3 FY26
- Expected approval: FY 2027-28
- Market potential: Rs. 15 Crores annually

2. MEXICO (COFEPRIS Registration)
- Products: 3 formulations
- Filing: Q4 FY26
- Expected approval: FY 2027-28

3. EAST AFRICA (Tanzania, Uganda, Rwanda)
- Leverage existing Kenya registration
- EAC harmonization process
- Expected timeline: Q1 FY27

STRATEGIC PARTNERSHIPS:

- Discussions ongoing with 2 European distributors for semi-regulated markets
- Potential in-licensing opportunity for specialty product from EU company

EXPORT GROWTH TARGET:

- FY 2025-26: Rs. 135 Crores (20% growth)
- FY 2026-27: Rs. 175 Crores (30% growth) - supported by US approvals

The Board discussed and provided the following guidance:
- Prioritize markets with clear regulatory pathway and good margins
- Strengthen quality team for handling multiple regulatory audits
- Consider dedicated export manufacturing block for US/EU markets

RESOLVED THAT the export market expansion strategy be and is hereby approved and the management be authorized to pursue the new market registrations.

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ITEM NO. 9: RELATED PARTY TRANSACTIONS
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The Company Secretary presented the related party transactions for review:

RELATED PARTY TRANSACTIONS Q2 FY26:

1. Dr. Ramesh Kulkarni - Managerial Remuneration
- Amount: Rs. 25 Lakhs per quarter
- Approved by shareholders at AGM 2024

2. Mrs. Sunita Kulkarni - Managerial Remuneration
- Amount: Rs. 18 Lakhs per quarter
- Approved by shareholders at AGM 2024

3. Kulkarni Properties LLP (Firm in which Directors are Partners)
- Office rental at Thane: Rs. 3 Lakhs per month
- Total Q2: Rs. 9 Lakhs
- At arm's length based on valuation report

All transactions are at arm's length and in the ordinary course of business.

Mr. Anil Joshi, Chairman of the Audit Committee, confirmed that all related party transactions have been reviewed by the Audit Committee and found to be in compliance with the Company's policy.

RESOLVED THAT the related party transactions for Q2 FY 2025-26 be and are hereby ratified.

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ITEM NO. 10: COMPLIANCE CERTIFICATE
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The Company Secretary presented the quarterly compliance certificate confirming

compliance with:

- Companies Act, 2013 and rules made thereunder
- Drugs and Cosmetics Act, 1940 and rules made thereunder
- Central and State Drug License conditions
- Schedule M (Good Manufacturing Practices)
- Environmental laws and pollution control board conditions
- Labor laws and factory act requirements
- Tax laws and GST compliance
- NPPA pricing regulations

STATUTORY FILINGS:

- All quarterly forms filed with RoC on time
- GST returns filed for July, August, September 2025
- TDS returns filed for Q1 FY26
- PF and ESI contributions deposited on time

NO MATERIAL LITIGATION OR REGULATORY ACTIONS:

- No new show cause notices received
- No adverse regulatory orders
- Product liability cases status unchanged (2 pending, both likely to be dismissed)

RESOLVED THAT the compliance certificate be and is hereby noted with satisfaction.

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ITEM NO. 11: CORPORATE SOCIAL RESPONSIBILITY (CSR) UPDATE
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Mr. Sandeep Agarwal, Chairman of the CSR Committee, presented the CSR update:

CSR OBLIGATION FY 2025-26:

- Average net profit (last 3 years): Rs. 14.5 Crores
- CSR obligation (2%): Rs. 29 Lakhs

CSR PROJECTS UNDERTAKEN:

1. Healthcare Camp in Rural Thane (Rs. 8 Lakhs)
- Free health checkup and medicines for 2,000 villagers
- Completed in August 2025

2. Scholarship Program for Pharmacy Students (Rs. 10 Lakhs)
- 50 scholarships of Rs. 20,000 each
- Selection in progress

3. Tree Plantation Drive (Rs. 5 Lakhs)
- Target: 5,000 trees
- Completed: 3,200 trees

4. Digital Literacy Program in Baddi (Rs. 6 Lakhs)
- Computer training for rural youth
- Program ongoing

TOTAL CSR SPENT H1 FY26: Rs. 15 Lakhs
REMAINING OBLIGATION: Rs. 14 Lakhs (to be spent in H2)

RESOLVED THAT the CSR update be and is hereby noted and the management be directed to complete the remaining CSR spend in H2 FY26.

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ITEM NO. 12: RISK MANAGEMENT UPDATE
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Dr. Vikram Rao, Chairman of the Risk Management Committee, presented the risk register update:

KEY RISKS AND MITIGATION:

1. REGULATORY RISK (HIGH)
- Risk: Drug license suspension, FDA warning letter
- Mitigation: Robust quality systems, continuous audit readiness
- Status: Well controlled

2. QUALITY FAILURE RISK (HIGH)
- Risk: Product recall due to quality defect
- Mitigation: Enhanced testing, process validation, stability monitoring
- Status: Well controlled

3. API SUPPLY CHAIN RISK (MEDIUM)
- Risk: Disruption in API supply from China/India suppliers
- Mitigation: Dual sourcing for critical APIs, 3-month inventory
- Status: Under control

4. PRICE CONTROL RISK (MEDIUM)
- Risk: More products brought under DPCO price control
- Mitigation: Diversification to non-controlled specialty products
- Status: Being addressed

5. CURRENCY RISK (LOW-MEDIUM)
- Risk: INR appreciation affecting export realization
- Mitigation: Natural hedge through import content, forward contracts
- Status: Under control

6. CYBERSECURITY RISK (MEDIUM)
- Risk: Data breach, ransomware attack

- Mitigation: IT security upgrades, employee awareness training
- Status: Enhanced controls implemented

NEW RISK IDENTIFIED:

- US FDA facility inspection: First FDA inspection is high-stakes event
- Mitigation: Mock audit by FDA consultant, comprehensive preparation
- Target inspection readiness: January 2026

RESOLVED THAT the risk management update be and is hereby noted and the Risk Management Committee be directed to focus on FDA inspection preparedness.

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ITEM NO. 13: APPOINTMENT OF INTERNAL AUDITOR FOR FY 2025-26
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The Company Secretary presented the proposal to appoint Internal Auditor:

RECOMMENDATION:

- M/s. ABC & Associates, Chartered Accountants, Mumbai
- Internal Auditor for FY 2024-25, proposed for continuation
- Fee: Rs. 4 Lakhs per annum (same as previous year)
- Scope: Quarterly internal audit covering all functions

The Audit Committee has recommended the appointment.

RESOLVED THAT pursuant to Section 138 of the Companies Act, 2013, M/s. ABC & Associates, Chartered Accountants, Mumbai, be and are hereby appointed as Internal Auditor of the Company for the financial year 2025-26 at a fee of Rs. 4,00,000/- plus applicable taxes and out-of-pocket expenses.

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ITEM NO. 14: RATIFICATION OF INVESTMENTS AND BANKING OPERATIONS
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The Company Secretary presented the investment and banking operations update:

FIXED DEPOSITS:

- Bank Fixed Deposits: Rs. 15 Crores (Weighted average interest: 7.2%)
- Maturity: 6-12 months, aligned with working capital needs

WORKING CAPITAL FACILITIES:

- Fund-based limit: Rs. 45 Crores (Utilized: Rs. 32 Crores)
- Non-fund based limit: Rs. 20 Crores (Utilized: Rs. 8 Crores)
- Interest rate: MCLR + 0.75%

TERM LOAN:

- Outstanding: Rs. 18 Crores (for Baddi expansion)
- Interest rate: 9.5% p.a.
- Repayment: Monthly installments over 5 years starting April 2026

RESOLVED THAT the investments and banking operations be and are hereby ratified.

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ITEM NO. 15: ANY OTHER BUSINESS
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1. ANNUAL GENERAL MEETING:

The Board noted that the Annual General Meeting for FY 2024-25 is scheduled for September 28, 2025, at 11:00 AM at the registered office.

2. DIRECTORS' REPORT:

The draft Directors' Report for FY 2024-25 was circulated to all Directors. Comments to be provided by September 20, 2025.

3. DIVIDEND:

The Board recommended a final dividend of Rs. 1.50 per equity share (15%) for FY 2024-25, subject to approval at AGM. Total outflow: Rs. 4.27 Crores.

4. NEXT BOARD MEETING:

The next meeting of the Board will be held on December 15, 2025, to approve Q3 FY26 results.

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VOTE OF THANKS:

The Chairman thanked all Directors for their valuable participation and declared the meeting closed at 6:30 PM.

Sd/-
Dr. Ramesh Narayan Kulkarni
Managing Director & Chairman
DIN: 00123456

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Minutes recorded by:

Sd/-
Ms. Kavita Patel
Company Secretary
ICSI Membership No.: ACS 34567

Date: September 16, 2025

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END OF BOARD MEETING MINUTES
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