



19<sup>th</sup> ANNUAL GENERAL MEETING  
SEPTEMBER 15, 2022 @ 4:30 p.m. IST

TRANSCRIPTS – 19<sup>th</sup> ANNUAL GENERAL MEETING (“AGM”)

Directors and KMP Present:

Dr. Kiran Patel	Chairperson and Non-executive Director
Mrs. Mona Desai	Vice-chairperson and Whole-time Director
Mr. Anand Desai	Managing Director
Mr. Milan Thakkar	Non-executive Director
Mr. Vijay Batra	Independent Director
Mr. Vinesh Sadekar	Independent Director
Mr. Hetul Mehta	Independent Director
Dr. Namrata Jariwala	Independent Director
Ms. Suchi Agarwal	Company Secretary and Compliance Officer
Mr. Amit Khurana	Chief Financial Officer
Mr. Vishal Thakkar	Deputy Chief Financial Officer

In attendance:

Mr. Akshay R. Shah, Partner	Rajendra & Co., Chartered Accountants, Mumbai (Statutory Auditors)
Mr. Mohanlal Baid, Partner	M.D. Baid & Associates Practicing Company Secretaries, Surat (Secretarial Auditor and Scrutinizer)

Shareholders present:

Promoters and Promoter Group	5
Public	55



**Moderator: Sir, we are now live. Over to you Dr. Kiran Patel.**

**Dr. Kiran Patel- Chairperson:**

Good Evening all. I, Kiran Patel, Chairperson and Non-executive Director of the Company, attending this meeting from Tampa, USA, extend a warm welcome to each one of you at this 19<sup>th</sup> Annual General Meeting of Anupam Rasayan India Limited. With a heavy heart firstly, through this platform, we wish to inform our stakeholders about the fire accident on the fateful night of September 10 in which we lost 4 of our colleagues and 20 got injured who are receiving treatment at the local hospitals. I am deeply grieved with the incident and regret the occurrence of this tragedy.

I request all the panellists and joiners to please observe the silence of 1 minute and pray for the ones we have lost.

[1 minute silence was observed]

Om Shanti Shanti.

This AGM is being conducted through Video Conferencing mode/Other Audio-Visual Means in accordance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The Annual Report, along with Notice of AGM, has been dispatched to all the eligible shareholders electronically, in compliance with the circulars issued.

Members attending the meeting through video conference are counted for the purpose of quorum under Section 103 of the Companies Act, 2013.

I would request Ms. Suchi Agarwal, Company Secretary and Compliance Officer to confirm if the requisite quorum is present for this Meeting.

**Ms. Suchi Agarwal:** Yes Chairperson. We have a sufficient quorum to commence the meeting. The directors and KMP who are also shareholders of the Company and attending this meeting through Video Conference and also as panellists are also being counted for quorum.

**Dr. Kiran Patel- Chairperson:**

As confirmed, the meeting has requisite quorum, and hence I call this meeting to order.

I would request all the directors and key managerial personnel, joining through video conference to introduce themselves.

I will now begin with Mrs. Mona Desai.

**Mrs. Mona Desai:**

Thank you, Chairperson.

Good Evening everyone. I am Mona Desai, Vice-Chairperson and Whole-time Director. I am attending this AGM from the Company's registered office in Surat through video conference. Thank you.

**Dr. Kiran Patel- Chairperson:** Mr. Anand Desai



**Mr. Anand Desai:**

Thank you, Chairperson.

Good Evening everyone. I hope you and your family members are in good health and doing well.

I Anand Desai, Managing Director of the Company, am attending this AGM from the Company's registered office in Surat through video conference. Thank you.

**Dr. Kiran Patel- Chairperson: Mr. Hetul Mehta**

**Mr. Hetul Mehta:**

Thank you, Chairperson.

Good Evening everyone. I am Hetul Mehta, Independent Director and the Chairperson of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. I am attending this AGM from the Company's registered office in Surat through video conference. Thank you.

**Dr. Kiran Patel- Chairperson: Mr. Milan Thakkar**

**Mr. Milan Thakkar:**

Thank you, Chairperson.

Good Evening everyone. I am Milan Thakkar, Non-Executive Director. I am attending this AGM from London, through video conference. Thank you.

**Dr. Kiran Patel- Chairperson: Mr. Vijay Kumar Batra**

**Mr. Vijay Kumar Batra:**

Thank you, Chairperson.

Good Evening everyone. I am Vijay Batra, Independent Director. I am attending this AGM from Gurugram, through video conference. Thank you.

**Dr. Kiran Patel- Chairperson: Mr. Vinesh Sadekar**

**Mr. Vinesh Sadekar:**

Thank you, Chairperson.

Good evening everyone. I Vinesh Sadekar, Independent Director, am attending this AGM from Mumbai, through video conference. Thank you.

**Dr. Kiran Patel- Chairperson: Dr. Namrata Jariwala**

**Dr. Namrata Jariwala:**

Thank you, Chairperson.



Good Evening everyone. I am Namrata Jariwala, Independent Director. I am attending this AGM from the Company's registered office in Surat, through video conference. Thank you.

**Dr. Kiran Patel- Chairperson:**

We also have on panel today joining us Mr. Amit Khurana, CFO and Mr. Vishal Thakkar, Deputy CFO of the Company. Statutory auditors and secretarial auditors have also joined this meeting. I now request Ms. Suchi to provide general instructions to the members regarding participation in this meeting.

**Ms. Suchi Agarwal:**

Thank you, Chairperson.

We welcome all to the 19<sup>th</sup> Annual General Meeting of the Company. I trust that all of you and your families are safe and healthy. On behalf of the Board of Directors, I want to thank you for joining us today. This meeting is being held through video conference in accordance with the provisions of Companies Act, 2013 as amended and circulars issued by the Ministry of Corporate Affairs and SEBI.

As a matter of convenience of the participating shareholders, I would like to take you through certain key points regarding participation at this meeting:

- The facility of joining AGM through video conference or other audio-visual means and the live webcast of this AGM is being made available for shareholders/ members through NSDL. The proceedings of this meeting are being recorded for compliance purposes.
- The Registered Office of the Company at Surat, Gujarat is the deemed venue of this AGM.
- All the members who have joined this meeting are kept on mute by default to avoid disturbances arising from any background noise and ensure smooth conduct of the proceedings.
- Once the question-answer session commences, the name of the shareholders registered as speaker shareholders will be announced one by one in the audio-video mute mode. The moderator will unmute them after announcing their names during the Q&A session.
- If the speaker shareholder is not able to join through video due to any reason, they can speak through audio mode. While speaking, we request the shareholder to use earphones so that they are clearly audible, minimize any noise in the background, ensure that Wi-Fi is not connected to any other devices, no other background applications are running on the device.
- If there is any connectivity problem with the speaker shareholder, we will ask the next speaker to join. If the connectivity improves, we will call those shareholders who had connectivity issues earlier to try once again after the other speaker shareholders complete their turn.
- During the AGM, if a shareholder faces any technical issues, they can contact the helpline number mentioned in the notice of AGM and refer FAQs and e-voting user manual for shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). If, at any time during the AGM, you get disconnected, please recheck your internet connection and login using the same process.
- The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. The e-voting facility was kept open for a period of three days from 9:00 AM Monday, 12<sup>th</sup> September, 2022 upto 5:00 PM Wednesday, 14<sup>th</sup> September, 2022. Members who have not cast their



votes electronically through remote e-voting facility and are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided through NSDL. Voting platform will remain open for 15 minutes after conclusion of the meeting. The members who have cast their vote by remote e-voting prior to the meeting shall not be casting their vote again.

- The shareholders may send their queries, if any, to the Company at [investors@anupamrasayan.com](mailto:investors@anupamrasayan.com), the same will be attended suitably.
- The Register of Directors and Key Managerial Personnel and their Shareholding, the Register of Contracts or Arrangements in which the Directors are interested, a certificate from the Secretarial Auditor of the Company under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and copy of Articles of Association of the Company with the proposed amendments are available electronically for inspection by the members during the meeting.
- The Company had in compliance with the SEBI circular dated May 12, 2020, had dispatched the hard copy of the Annual Report of the Company to all such shareholders who had requested for it in physical mode.
- The Board of Directors has appointed M. D. Baid and Associates as the scrutinizer for this meeting. Based on the report of the scrutinizer, the combined results of remote e-voting and the e-voting done at the meeting today will be announced and displayed on the website of the Company and will also be submitted to the stock exchanges as per the requirements under the SEBI Listing Regulations.

Thank you all. With This, I hand over to the Chairperson, Dr. Kiran Patel.

**Dr. Kiran Patel- Chairperson:**

Thank you Ms. Suchi.

*"Dear Shareholders,*

*The journey post IPO has truly been great. This success has been possible, because each one of you have shown faith in our shared vision and have contributed steadfastly to our progress. This journey would not have been possible without you. And for this, I am truly grateful.*

*As the Chairperson of the Company, I want to report to you, that the Company not only has effectively met the challenges that this rather turbulent year had thrown at us, but demonstrated the Company's resiliency by achieving excellence in its industry, demonstrated by annual 30% year after year growth, in the same time delivering over 25% in profits. The year began under the renewed spectre of the pandemic, with the second wave bringing a high infection rate and fatalities. The company responded effectively and swiftly. By the end of the first quarter, all of the workforce was vaccinated through concerted efforts of the Company, ensuring long term wellbeing of our employees and their families.*

*When it comes to environmental sustainability, we have continued to boost our commitment to reducing our dependence on the fossil fuels. The successful installation of a solar plant in Bharuch has substantially cut both our carbon footprint and cost of production and power. While we are recognized, we are cognizant of our responsibility, and are deeply invested in driving the Company towards a sustainable future, we have also been having unwavering resolve to spear an innovation and quality in our products and processes. Our growth and profitability stemmed from our focus on adopting innovative technologies, and making the most of our reengineering processes which allows us to focus on custom synthesis and complex chemistries. While we continue aggressively to focus on R&D with a team of highly educated and skilled researchers, breaking*



*new grounds in complex chemistries, and taking steps to make our operations as self-sustaining as possible. We are also deeply infused by the economic progress that we have made today.*

*Acquisition of Tanfac Industries Limited, that provide us an apt platform to enhance our profile in fluorination business. Similarly, we have also been able to galvanize the industry forces to demonstrate strong profitability, dynamism and performance. With the underpinning of all that we have done, in the past year we were able to diversify and strengthen our business, to make it more sustainable and push it forward on the path of innovation. I am certain that today we are well poised for our foray into the future. I would like to express my heartfelt gratitude to our customers for reposing their faith in Anupam Rasayan. I'm also grateful to our Board of Directors, key managerial personnel, senior management and whole Anupam Rasayan team for showing their dedication and commitment. I would also like to thank all our shareholders, clients, bankers, government regulatory authorities for their guidance and continued support."*

Now, I would request Mr. Anand Desai, our Managing Director to address the members on the performance of the Company, during the financial year ended on March 31, 2022.

**Mr. Anand Desai:**

*"Thank you, Chairman and my greetings, to the Shareholders,*

*As the Chairman mentioned, September 10, 2022, will be one of the saddest days in the history of Anupam family. The pain of the loss of a family member cannot be described in words. My prayer to God that he gives all of us the strength to withstand this storm.*

*I promise you that I will leave no stone unturned to ensure that the highest quality of care is offered to the injured. It is also our commitment that all support required by the affected families will be provided by the Company.*

*While I am proud of the stellar record of safety and security of our workforce, this unfortunate incident has compelled us to take steps to prevent such incidents from happening in future.*

*The following action plan has been instituted-*

- 1- The concerned block will be shut temporarily.*
- 2- We have set up a committee of experts to investigate the cause of incident*
- 3- The committee will be doing the root cause analysis, will assess the damages and will support the regulatory bodies with their investigation*
- 4- Committee will identify the steps needed to be taken to restore and restart the plant along the timelines and shall implement the same, and*
- 5- Will Set up a framework for corrective actions to be taken immediately and actions which will be implemented over the period for safety and security at all our sites*

*We want to assure our stakeholders, employees and workers, that the safety of our team is of paramount importance and we are committed to it.*

*We undertake comprehensive safety measures including Occupational Health and Safety Management System, Hazard and Operability Analysis for process related hazards, Hazard Identification and Risk Assessment for all products and services on an on-going basis.*



*We would like to thank all the team members, local authorities, neighboring industries, local communities and all external agencies who have extended their unfettered support during this unfortunate event.*

*Now I would like to bring to the picture the doors of opportunities we are standing at and would want to share my insights on the future prospects of the Company. I thank each one of you for supporting and encouraging us through the year. This has positively impacted our performance - both qualitatively and quantitatively. In the last one year, we have grown in leaps and bounds, and our financial performance is a reflection of it.*

*Our revenue operations were up by 31.46% for FY22, allowing us to reach at the total revenue of ₹ 1066 crores. This robust growth is a reflection of disciplined execution of our strategy. Despite headwinds due to supply-side challenges, we grew in all dimensions of our business and delivered a strong and consistent EBITDA margin of 29% for FY22 compared to 26% for FY21. The net profit grew by 116.5% from ₹ 70 crores for FY21 to ₹ 152 crores for FY22.*

*The pandemic also brought to the forefront the criticality of specialty chemicals, especially for pharmaceuticals, resultantly providing us with an abundant opportunity to grow and prosper. Moreover, the pandemic also highlighted the gaps in the global manufacturing sector, which for a few decades has been skewed in the favour of China.*

*As companies realized that their geographic dependence for manufactured goods could prove to be loss making, especially in the context of a lockdown like situation, strategies like 'China plus one' emerged to realign the global chemical sector. This of course a positive news for the Indian manufacturers, as it enables capturing of a sizable market share, which was earlier catered by Chinese manufacturers.*

*Our key goal is to remain focused on specialized niche molecules and continue expanding our product portfolio with the help of our strong R&D team and technical capabilities. We have been replacing lower value products with higher value ones in our offerings, we also continue to add new chemistries to our portfolio as well as work on future chemistries like chlorination using  $POCl_3$  and  $PCl_5$ , Butyl Lithium amongst others, further strengthening our multi-step synthesis capabilities. These make us a preferred partner for both Indian and global businesses. The Company is geared to increase its wallet share with existing clients, while growing its market share and maintaining competitive pricing.*

*As you know we have acquired stake in Tanfac Industries Limited, which is a strategic decision taken in line with furthering our commitment of enhancing our product portfolio. This acquisition gives us the opportunity to manufacture HF and KF related value-added products, which the Company has been working to branch into for some time now. Moreover, the Tanfac acquisition will also add benefits of backward integration, as it will ensure an uninterrupted access to our own hydrogen fluoride, potassium fluoride and other such agents that are essential raw materials that are required in fluorination processes.*

*We are certain that this will enable us to monetise on our past research and development while giving us headroom for further cost efficiencies.*

*During the year we achieved a milestone of crossing ₹1000 crores in top-line. We have received several significant LOIs and contracts this year, enhancing our capabilities and strengths. In the first quarter of FY22, we received our first LOI for ₹1,100 crores from a multinational life science company. A second LOI worth ₹540 crores was received in Q1FY22, now converted into a 5-year contract. The third LOI, valued at ₹144*



*crores and received in Q2FY22 from one of our existing European customers, which is one of the top ten crop protection MNC, was also converted into a 5-year contract. A Japanese MNC awarded us our fourth LOI worth ₹135 crores in Q3FY22, which has now been converted into a long-term contract. In the fourth quarter of FY22, we received our fifth LOI from a global industry giant for ₹700 crores. We anticipate that these orders will increase our revenue and profitability, as well as showcase the quality of our products, allowing us to serve these customers over the long term and become their preferred partner.*

*In the bid to reduce our costs and enhance our sustainability footprint, we successfully installed a solar power plant in Bharuch in Q3FY22, which resulted in savings of ₹3 crores in just 5 months of FY22. We expect this plant to save around ₹10 crores for us annually. Additionally, we have been successful at renegotiating our prices with our key customers and the impact of these were witnessed from January 2022 onwards.*

*I thank all our stakeholders for supporting us and joining us in our journey for excellence.”*

Thank you. With this, I hand it over back to Chairperson, Dr. Kiran Patel.

**Dr. Kiran Patel- Chairperson:**

Thank you, Anand. I now request Ms. Suchi to provide a summary of the auditor's report.

**Ms. Suchi Agarwal:**

Thank you, Chairperson. The Statutory Auditors, Rajendra & Co. and the Secretarial Auditor, M.D. Baid & Associates, have expressed an unqualified opinion in their respective audit reports for the financial year ended March 31, 2022. There were no qualifications, observations or adverse comments on financial statements and matters, which have any material bearing on the functioning of the Company. Copies of the Statutory Auditors' report and Secretarial Audit report are enclosed as part of the Annual Report. There being no qualifications, the reports are not required to be read in this meeting and the Auditors' Report is being taken as read.

Thank you. Over to you, Chairperson.

**Dr. Kiran Patel- Chairperson:**

Thank you, Suchi. As the Notice of the 19<sup>th</sup> AGM and the Annual Report containing the Audited Financial Statements, standalone & consolidated for the FY ended March 31, 2022 have been already circulated to all the members whose e-mail addresses are registered with the Company or Depositories, I take the Notice convening the meeting as read.

Before we proceed further, I wish to bring to your notice that as required under the Companies Act, 2013, the Company has provided with the facility to cast your votes electronically on all resolutions set forth in the Notice. We now take up the resolutions as set forth in the Notice. We will open the floor for the questions by members after all the resolutions are tabled. Accordingly, I will now only read out the matters for resolutions:

**Ordinary Business:**

**Item no. 1:** To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended March 31, 2022, and the Audited Consolidated Financial Statements for the financial year ended March 31, 2022, the Auditors' Report thereon and the Board of Directors' Report of the Company for the financial year 2021-22.



**Item no. 2:** To declare a final dividend of ₹1/- @ 10% per Equity Share of face value of ₹10/- each fully paid-up of the Company, for the financial year ended March 31, 2022.

**Item no. 3:** To appoint a director in place of Dr. Kiran C. Patel (DIN: 08051053), who retires by rotation and, being eligible, offers himself for re-appointment.

**Special Business:**

**Item no. 4:** To ratify the remuneration payable to the Cost Auditors for cost audit for the period from April 01, 2022 to March 31, 2023.

**Item no. 5:** To amend Article 10 of the Articles of Association of the Company.

**Item no. 6:** To consider re-appointment of Mr. Vinesh Prabhakar Sadekar (DIN: 00046815) as an Independent Director for a second and final term of 2 years effective from November 09, 2022, till November 08, 2024.

**Item no. 7:** To consider re-appointment of Mr. Hetul Krishnakant Mehta (DIN: 01650314) as an Independent Director for a second and final term of 2 years effective from November 09, 2022, till November 08, 2024.

**Item no. 8:** To consider re-appointment of Mr. Vijay Kumar Batra (DIN: 00038275) as an Independent Director for a second and final term of 2 years effective from November 09, 2022, till November 08, 2024.

**Item no. 9:** To consider re-appointment of Dr. Namrata Dharmendra Jariwala (DIN: 08974528) as an Independent Director for a second and final term of 2 years effective from December 04, 2022, till December 03, 2024.

Since all the Resolutions have already been put to vote through remote e-voting, there will be no proposing and seconding of the Resolutions and that there would be no voting by show of hands. Members who have not cast their vote electronically but are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Voting platform will remain open for 15 minutes after the conclusion of the meeting.

If any member desires to ask any questions pertaining to any item of the notice, he or she may do so now. Members are requested to keep their questions brief and specific. Members may also note that the Company reserves the right to limit the number of members asking questions, depending on the availability of time. The moderator will facilitate the question-answer session and with this, let me hand over to the moderator.

**Moderator:**

Thank you, Chairperson.

Dear shareholders, thank you for joining the 19<sup>th</sup> AGM today and for taking time to participate in the proceedings. Before we go live with the Q&A, here are some points to note for your convenience.

Kindly proceed to ask the question when you are projected on the broadcast screen. Please mention your name. Each shareholder will have two minutes for their questions. To avoid repetition, the Board will respond to all the questions at the end. Once you have asked your question, you can switch to watch the proceedings.



**Audio and video questions of the shareholders**

We invite our first speaker shareholder Ms. Dhurvi Kapadia to proceed with the question. Please unmute your audio and video and proceed.

**Shareholder 1 (Ms. Dhruvi Pastagia):-** Myself Dhurvi Kapadia.

I want to ask how Anupam Rasayan is different than other chemical companies?

**Moderator:** Thank you. We now request our next speaker shareholder Ms. Bhavini. Ms. Bhavni request you to please accept the prompt on your screen and proceed with your question. Request you to please unmute your audio and proceed.

**Shareholder 2 (Ms. Bhavini):-** Hello.

I would like to know what is the company doing after this incident on safety issues?

**Moderator:** Thank you. We invite our next speaker shareholder Ms. Tina Nandwani. Request you to please accept the prompt on your screen and proceed with your question. Please unmute your microphone and proceed with your question.

**Shareholder 3 (Ms. Tina Nandwani):-** Hello, I am Tina Nandwani.

I want to ask whether the company will be continuing with its margin as achieved in the year 2021-22?

**Moderator:** Thank you. We now invite our next speaker shareholder Ms. Rupa Shah. Request you to please accept the prompt on your screen and proceed with your question. Ms. Shah, we have given you permission to speak on the call, request you to unmute your microphone and proceed. Please accept the prompt on your screen and proceed.

**Shareholder 4 (Ms. Rupa Shah):-** Good Evening everyone. I am Rupa Shah

I request the management to expand on the causes of the current incident and the safety strategy of company?

**Moderator:** Thank you. We now move to our next speaker shareholder Ms. Grishma Shah. Request you to please accept the prompt on your screen and proceed with the question. Ms. Shah request you to please unmute your audio and proceed.

**Shareholder 5 (Ms. Grishma Shah):-** Good evening all, my name is Grishma Shah.

My question is, for how many customers Anupam is the sole supplier across the globe and that contributes what % of revenue?

**Moderator:** Thank you. We now move to our next speaker shareholder Mr. Rishi Shah. Request you to accept the prompt on your screen and proceed with the question. Please unmute your audio video and proceed.

**Shareholder 6 (Mr. Rishi Shah):-** Hello, Good Evening everyone. Myself, Rishi Shah.

I would like to know the strategy behind acquisition of Tanfac?



**Moderator:** Thank you. We move to our next speaker shareholder Mr. Siddharth Dholakia. Request you to accept the prompt on your screen and proceed with your question. Please unmute your audio, video and proceed.

**Shareholder 7 (Mr. Siddharth Dholakiya):-** Hello, Good Evening everyone. My name is Siddharth Dholakiya. I would like to know about the growth strategy of Anupam?

**Moderator:** Thank you. With this, we conclude the Q&A session.

Before I hand over to Chairperson, just to confirm that we have all the Board members attending this AGM from their respective locations and they are all taking note of the questions which were raised by the shareholders. With this, I'll hand over back to Chairperson.

Over to you, Dr. Patel. Request you to unmute your microphone and proceed.

**Dr. Kiran Patel- Chairperson:**

I would like to thank all the members for their queries and views.

I now invite Mr. Anand Desai and Mr. Vishal Thakkar to kindly answer the shareholders queries.

**Mr. Anand Desai:**

I thank the shareholders for their queries and kind words.

I will cover our responses question by question and will hand over the platform to Mr Vishal Thakkar and Dr. Patel for response on some queries.

**A member had asked -How Anupam is different than other chemical companies?**

Response- Usually we don't like to compare ourselves with other companies. However, to talk about Core Strengths of Anupam is process optimization, we can manufacture at lower cost with same or better quality by using our own route of Synthesis. Further, company's customer centricity, with long term customer relationship with high quality MNC customer would be second. And third would strong and robust business model with high revenue and profit visibility.

**There is question regarding current incident, the safety strategy of the Company and what we are doing on safety after this incident.**

Response- As I have mentioned in my speech, the Company has set up an internal committee to investigate the causes of this unfortunate accident which has caused serious injury to the life and safety of our people. The internal committee appointed is doing the root cause analysis to assess the causes of and damages from this accident. We want to assure our stakeholders, employees and workers, that for us safety of our team is of paramount importance and we are committed towards the safety and security of our workforce.

**There was a question on - advantage of China+1 strategy to the Company and how Russia Ukraine war have impacted Company's performance-**

Response- As you know that India is beneficiary of the world looking for alternate to China, we at Anupam have also seeing this trend in terms of increased inquiries from the customers and business have started seeing benefits of that. Now with Russia-Ukraine war, we are seeing another such trend which is



“Europe+1” as for many chemical companies in Europe the overheads have gone up significantly. The customer are now willing to outsource many new value added to products to low cost country like India compared to Europe. Overall, we are receiving increased number of new product enquiries and this has resulted in the increase in overall demand for the chemical companies in India.

**Another question was on the future plans and programs to improve the Company**

Response- As you are aware that we have been growing rapidly and with the kind of demand that we are seeing we are likely to grow at similar pace. To ensure that we are able to service our customers’ demand, we would need to work on -

- R&D for product development and commercialization;
- Build manufacturing facilities to deliver the volume that our customers are asking for;
- Further strengthen the team to deliver the growth; and
- Focus on safety in our processes at plants.

**In respect of query on the Strategy for acquisition of Tanfac**

Response—I want to inform that Acquisition of Tanfac was a strategic decision to secure the supply chain. As you know that, Tanfac is leading manufacturer of HF and KF which are key raw materials for any product under fluorination chemistry, so, with this acquisition Company will be able to manage its requirement of HF and KF. This will also give an assurance to our customers as we are now backward integrated to an extent. Further, we have been working on various molecules based on HF since last 4-5 years but due to unavailability of HF were unable to commercialized it, but now with the support of Tanfac, we will commercialize these molecules in coming years.

I now request our Deputy CFO Mr. Vishal Thakkar to throw light on the issue of whether the Company will be able to maintain its margins of 2021-22 in future.

**Mr. Vishal Thakkar:**

Response- Thank you Anand bhai. I wish to inform our shareholders that the Company had EBIDTA margin of 29% in FY 2021-22. We work on open and transparent cost sheet model and our margins are typically fixed. We believe our stable EBITDA margins should be in range of 26-28% going forward as all cost including raw material, utilities, labor cost are pass through as per our contracts. Hence, we will be able to maintain the margins. With this I handover to Dr. Patel.

**Dr. Kiran Patel- Chairperson:**

Thank you, Anand and Vishal,

I wish to place before our shareholders the growth plan of Anupam in response to the query on growth plan of the Company.

Our Company’s growth journey has been exceptional in last 4-5 years and we are working to continue with similar growth. We have three growth drivers:

- first one being the growth of product portfolio – if you see we are working on 90+ molecules today and we plan to commercialized at least 7-8 molecules every year, the product profile for each of the molecule is such that each of it can be a blockbuster molecule for us.



- Secondly, as you are aware, we have signed LOI and contracts worth ₹2,600 crores last year and for majority of the molecules the supplier will start from FY24 and FY25, so that will result in increase in revenues by atleast ₹475 crores per annum.
- Lastly, we will be launching new molecules under fluorination chemistry on which the company was working on since last 4-5 years but was unable to launch due to non-availability of HF. These products have revenue potential of ₹ 1700-2000 crores per annum as per global consulting research firm in next 3-5 years. So, with these three strategies in place, we intend to grow at the same or faster pace at which we have grown in last 4-5 years.

I now Thank all the panellists and members. As mentioned earlier, the members who have not already cast their vote by means of remote e-voting, may do so now as the e-voting facility will be available for the next 15 minutes. Resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

Thank you all for attending the meeting. With this, the 19<sup>th</sup> AGM comes to an end. I am grateful to all the members and our Board of Directors who have taken time to join this meeting. I wish you all the very best, stay in good health and stay safe. With your permission, I hereby declare the proceedings as closed. Thank you very much.

*[Note: This transcript has been edited for readability and does not purport to be a literal record of the AGM proceedings.]*