



Jubilant Ingrevia Limited
2nd Annual General Meeting

Wednesday, September 22, 2021 at 3:00 P.M.



BOARD OF DIRECTORS/KMP:

MR. SHYAM S. BHARTIA – CHAIRMAN

MR. HARI S. BHARTIA – CO-CHAIRMAN

MR. SUSHIL KUMAR ROONGTA – INDEPENDENT DIRECTOR & CHAIRMAN (AUDIT COMMITTEE)

MRS. SUDHA PILLAI – INDEPENDENT DIRECTOR & CHAIRPERSON (SUSTAINABILITY & CSR COMMITTEE)

MR. PRADEEP BANERJEE – INDEPENDENT DIRECTOR & CHAIRMAN (NOMINATION, REMUNERATION & COMPENSATION COMMITTEE)

MR. SIRAJ AZMAT CHAUDHRY – INDEPENDENT DIRECTOR & CHAIRMAN (STAKEHOLDER RELATIONSHIP COMMITTEE)

MRS. AMEETA CHATTERJEE – INDEPENDENT DIRECTOR

MR. RAJESH KUMAR SRIVASTAVA – CEO AND MANAGING DIRECTOR

MR. ARJUN BHARTIA – NON-EXECUTIVE DIRECTOR

MR. ANANT PANDE – WHOLE-TIME DIRECTOR

MR. ARVIND CHOKHANY – GROUP CHIEF FINANCIAL OFFICER

MR. PRAKASH CHANDRA BISHT – CHIEF FINANCIAL OFFICER

MRS. DEEPANJALI GULATI – COMPANY SECRETARY

Moderator: Good afternoon members.

Welcome to the Second Annual General Meeting of Jubilant Ingrevia Limited through video conferencing. For the smooth conduct of the meeting, all members will be in mute mode. Please note that for the requirement, the proceedings of the Annual General Meeting are being recorded and transcript of the proceedings shall be available on the Company's website.

With this, I now hand over the proceedings to Mr. Shyam S. Bhartia - Chairman who has joined from Dubai.

Thank you.

Shyam S. Bhartia: Thank you.

Good afternoon, everyone.

I am delighted to welcome you to the Second Annual General Meeting of Jubilant Ingrevia Limited. I trust and hope that you and your family and friends are safe and keeping well. I highly appreciate your taking out time today to attend this Annual General Meeting being convened through video conferencing in compliance with the provisions of the Companies Act, 2013 and circulars issued by Ministry of Corporate Affairs and SEBI. The Company has made all the necessary arrangements to enable the members to participate in the meeting through the video conferencing facility and vote electronically. As the requisite quorum is present, I call the meeting to order.

As the Annual General Meeting is being held through video conference, the facility of appointment of proxies by the members is not made available.

I would now introduce other Board members and KMPs who have joined this meeting through video conference:

- Mr. Sushil Kumar Roongta - Independent Director and Chairman of Audit Committee joining from Gurugram.

- Ms. Sudha Pillai - Independent Director and Chairperson of Sustainability and CSR Committee, joining from Delhi.
- Mr. Pradeep Banerjee - Independent Director and Chairman of the Nomination, Remuneration and Compensation Committee joining from Mumbai.
- Mr. Siraj Azmat Chaudhry - Independent Director and Chairman of the Stakeholders Relationship Committee joining from Gurugram.
- Mrs. Ameeta Chatterjee - Independent Director joining from Mumbai.
- Mr. Hari S Bhartia – Co-Chairman joining from Delhi.
- Mr. Rajesh Kumar Srivastava –CEO and Managing Director joining from Noida.
- Mr. Arjun Bhartia – Non-Executive Director joining from Delhi.
- Mr. Anant Pandey – Whole-time Director joining from Amsterdam, Netherlands.
- Mr. Arvind Chokhany – Group Chief Financial Officer joining from Noida.
- Mr. Prakash Chandra Bisht - Chief Financial Officer joining from Noida.
- Ms. Deepanjali Gulati – Company Secretary joining from Noida.

Mr. Priyavrat Bhartia and Mr. Arun Seth have not been able to join this meeting, due to their pre-occupation.

The Statutory Auditors and Secretarial Auditors are also participating in the meeting.

Good afternoon, ladies, and gentlemen.

A very warm welcome to all of you on the Second Annual General Meeting of Jubilant Ingrevia Limited. On behalf of the Company's Board of Directors I want to thank you for taking the time out to join us today. Your continued support and trust in us during unprecedented times like these motivates us to create greater value to our stakeholders. We take this opportunity to share this moment of great

pride as we cross another milestone and celebrate the creation of Jubilant Ingrevia Limited.

The onset of the Covid-19 pandemic caused major disruptions within societies and economies across the globe. The global lockdowns adversely impacted several industries, such as manufacturing, construction, and logistics. However, the vaccination drives gaining momentum across the world have led to an optimistic outlook of faster economic recovery. Many rating agencies have reported a V-shaped recovery rate for the global GDP. The average projected GDP growth rates of developed countries are in the range of 3% to 5% in FY2021 according to the International Monetary Fund IMF. Developing countries are expected to witness better growth rate as compared to the advanced economies. However, further COVID-19 waves and variants leading to restrictions and lockdowns may dampen the growth outlook.

The Indian economy was adversely impacted by the lockdown, which was imposed to contain the spread of the pandemics resulting in economic de-growth of 7.3% in FY2021. Stringent restrictions announced in the month of April 2020 and May 2020, brought the economy to an abrupt standstill, and led to a contraction of 22.4% in the first quarter of FY2021. As the economy reopened, pent up and the festive demand led to a fast recovery. A slew of government policy measures and stimulus, including the 'Aatma Nirbhar Bharat' package, were introduced in three tranches, and valued at ~15% of the GDP. They were instrumental in cushioning the worst of the impact. The second wave of COVID did have some impact on the recovery, especially in the first quarter of FY2022. With an increased focus on vaccination drives, localized restrictions and adaptation to the 'new normal', the economic impact is expected to be limited. The IMF expects India to grow by 9.5% in FY2022, with vaccination drives remaining critical factors for the pace of economic recovery.

Today, India enjoys a sweet spot in Specialty Chemicals, with the emerging demand from global customers who are looking to diversifying their supply chain from China to create a reliable alternate source. This increasing demand is in addition to their continuous quest to explore possibilities of shifting their sourcing from higher-cost countries to cost competitive locations like India. On the supply side, there is a deep talent pool in the chemicals space, as well as supportive government and enabling regulatory environment. Jubilant Ingrevia Limited is ideally positioned to capitalise on the growth opportunities because of its cost leadership in several products through backward integration, global scale volume, continuous process improvement, supply-chain efficiency, and highly experienced management team with an excellent execution capability.

Our journey in the business of Life Science Ingredients started more than 40 years ago. Over the years, the business has expanded its operation globally with more than 100 commercial products. Over the years, we established our distinctive strengths in the industry which helped us in maintaining leadership in segments we are present in. At Jubilant Ingrevia, we have designated products where we enjoy leadership in the global market. We are globally number one producer of 12 products and second largest player for around 5 products.

Restructuring update

Starting our journey back in 1978 as VAM Organics Limited over the years, we have emerged as a strong player in Life Science Ingredients as well as Pharmaceuticals businesses. To sharpen focus on each business vertical, we decided to demerge the business into two separate entities. The demerger had the following benefits:

- It simplified the corporate structure with greater operational efficiencies and dedicated management structure focusing on the strategic priorities of each business.

- It also helped our shareholders to maximize their value as the demerged entities unlocked value for each business independently.
- The demerger also helped the external world in understanding our business structure and facilitate with clarity in making investment decisions. The distinct businesses will enables strategic growth with optimal capital structure and judicious deployment of cash flows for investments, capital expenditure and dividends.

We believe that with a focused approach, we will be able to accelerate our growth and create significant value for the business.

Initiatives undertaken to handle COVID-19.

We focused on the safety and wellbeing of our employees and society during Covid-19 pandemic. Our teams tirelessly worked to develop key ingredients for the first US FDA approved Antiviral drug 'Remdesivir' with proven results against COVID-19 in just 10 weeks' time. With a belief in a Safe World for Everyone, we launched Jubilant's in-house range of Hand sanitizers-'HANDS TOGETHER'.

The moment second wave of COVID-19 started recording significant increase in cases, we decided to form a Jubilant Bhartia Group level COVID task force to take collective initiatives to ensure wellbeing of our employees and their dear ones in these difficult times.

Apart from Group level task force, Emergency response teams at Corporate Office and all manufacturing sites were also formed. Within a short span of time, these teams were able to organize company aided isolation centers, hospitalization support, ambulance on call service, online consultation with doctors, oxygen concentrators and cylinders, medicine supplies on request, as well as sessions with wellness and yoga experts to help employees remain stress free during these tough times.

We also decided to start a massive Vaccination drive PAN India for all our employees, their families, and contract workers.

Sustainability Update

Our sustainability culture is driven through Our Values-delivering Excellent Quality with utmost care for the environment and safety; Nurture Innovation by sharing our knowledge and learning with each other and from markets we serve; Inspire Confidence by carefully selecting training and developing our people to be more creative and empower them to take decisions.

With strong focus on sustainability, we are using increasing amount of renewable stock with some of the products having renewable inputs of around 35% to 50%. Our commitment is further reinforced by the fact that we are amongst the six companies in India to receive the coveted 'Responsible Care certification' for two of our large facilities in Gajraula and Bharuch. This year our business has improved its overall safety performance through significant reduction in lost time severity rate and lost time injury frequency rate.

The Company has also reduced its high-performers' attrition rate. On the environmental front, the Company did well in achieving its yearly targets of reduction in specific energy, specific water consumption and specific Greenhouse gas emissions.

During FY2021, we geared up to support the people and the community at our manufacturing locations amidst Covid-19 pandemic. Jubilant Bhartia Foundation, our CSR arm, strategized and restructured its development initiative for the people in marginalized and remote areas supporting them during the pandemic. The projects were designed keeping in mind the safety and vulnerability of the community around the manufacturing location through its projects like JubiCare Tele clinic, for telemedicine to provide real-time patient doctor interface E-Muskaan towards education through Digital Literacy and JubiFarm for strengthening the livelihood of farmers.

The Company looks forward to its Sustainability programmes with greater zeal and strong commitment. The organization will continue adding value to the community, which it considers to be an apex stakeholder.

Business Update.

Our deep expertise and Chemistry knowledge is our key strength, which allows us to handle complex molecules and derive highly effective products, resultant of this we have 35 technology platforms, one of the highest in the country.

Our product quality, ability to customize, on time delivery, and high customer engagement helped us enjoy long term relationships with our customers. We are serving 15 of the top 20 Global Pharmaceutical and 7 of the top 10 Global Agrochemical companies, and we derive significant revenues from the repeat orders.

The strong cash flow from the business which we have been reinvesting to scale up our operations and repaying debts allow us to maintain a highly de-leveraged balance sheet, which will provide us adequate headroom for allocating capital for our proposed expansion plans.

We reported a significant growth in our Revenue, EBITDA and PAT during the year under review. Our manufacturing sites remained operational throughout the pandemic, and initiatives were taken to mitigate COVID-19 impacts. Our deeply integrated business model ensured raw material supply and relentless efforts towards ensuring logistics availability helped uninterrupted serving of our customers.

Despite the COVID-19 related external challenges, I am happy to report a 10% growth in revenue over FY2020 to Rs. 3,491 crores in FY2021. Strong demand and disciplined approach towards cost control helped us in improving our EBITDA by 53% from Rs. 409 crores in FY2020 to Rs. 627 crores in FY2021 with EBITDA margin strengthening by 507 bps from 12.9% in FY2020 to 17.9% in FY2021. Net profit improved by 43% from Rs. 220 crores in FY2020 to Rs. 316 crores in FY2021.

Our growth in Specialty Chemical business was led by strong demand from the agrochemical and pharmaceutical customers. We continued to maintain our leadership in Pyridine and 11 other derivatives and improved market share in some of the other products.

The Nutrition and Health Solutions business maintained its growth momentum during the year. We were able to distribute our products across the world due to our strong relationships with shipping companies and container suppliers. Our continued focus on growing the share of value-added products proved fruitful and led to a good traction in the segment.

Our Life Science Chemicals business reported higher capacity utilization. We took several productivity enhancement initiatives, helping us in cost reduction and improved margins.

Financial year Q1 FY2022

In Q1 FY22, Ingrevia reported its highest ever quarterly revenue and EBITDA.

Revenue during the quarter was Rs. 1,145 crores, demonstrating a growth of 55% YoY, driven by 18% growth in Specialty Chemicals, 13% Nutrition and Health Solution and 103% in Life Science Chemicals business segments.

EBITDA during the quarter was at Rs. 287 Crore, up 126% YoY, led by significant growth in Life Science Chemicals business segment supported by Specialty Chemicals business.

Capex:

Our first phase of Diketene project approved last year is well on track, and we expect to have Commercial production from this plant sometime in quarter October to December 2021. In addition to above all debottlenecking and efficiency improvement capex is also going as per plan and will start giving benefits during H2-FY22.

Further during the year we have committed investment worth Rs. 360 crore for growth capex.

At peak capacity these investments are expected to generate additional annual revenue of Rs. 900 crores at prevailing prices. Our key committed capex are as follows:

CDMO GMP facility at Baruch-Expected to be in operation during the quarter April to June 2022.

Two Multi-Purpose plants of Specialty Chemicals - Expected to be in operation during the quarter April to June 2022.

Food Grade Acetic Acid- Expected to be in operation during the quarter April to June 2022.

Acetic Anhydride plant- Expected to be in operation during the quarter January to March 2023.

Agro Active Phase-1Expected to be in operation during the quarter January to March 2023. Our expected capex cash outflow for FY22 will be in the range of Rs. 350 crores.

Dividend

Based on the recommendation of the Board of Directors, the Company has recommended a dividend of 35% i.e. Rs. 0.35 per equity share of face value of Re. 1 each, for the year ended March 31, 2021. This shall result in cash outflow of Rs. 5.6 crore.

I would like to thank all our valued stakeholders, including our customers, vendors, bankers, and shareholders for their continued support. We are also thankful to all our employees for demonstrating resilience in the time of extreme challenges and supporting the Company through their hard work and team spirit.

We firmly believe that the road ahead is exciting and will continue to add value for all our stakeholders.

May the coming year be successful for all of us.

Thank you.

We shall now take up the formal agenda of the meeting.

The statutory registers as required under the Companies Act 2013, certificate issued by the Secretarial Auditors pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other documents mentioned in the AGM Notice are available for electronic inspection on the NSDL website under the tab 'AGM Documents'.

The Statutory Auditors and Secretarial Auditors have expressed unqualified opinion in their respective audit reports for the financial year 2020 and 21. There are no qualifications, observations, or adverse comments on the financial statements and matters which have any adverse impact on the functioning of the Company.

As the AGM Notice, along with the Annual Report for the financial year 2020-21 are already circulated to the members through electronic mode. I take the Notice convening the meeting as read.

In compliance with the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has provided remote e-Voting facility to the members from September 19, 2021, to September 21, 2021 to cast their votes electronically on all the Business items set out in the AGM Notice.

Members who have not cast their votes through remote e-voting and are participating in this meeting may cast their votes through the e-voting system provided by NSDL. The e-voting facility is active now and will be closed along with the closure of the meeting.

We will now take up the agenda items as set forth in the AGM Notice listed as Ordinary Business and Special Business and thereafter questions by the Members registered as Speaker Shareholder shall be taken up.

ORDINARY BUSINESS:

Item no.1(a) of the Notice – To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March 2021 along with the Reports of the Board of Directors and the Auditors thereon.

Item no.1(b) of the Notice- To consider and adopt the Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 along with the Report of the Auditors thereon.

Item no. 2 of the Notice – to declare dividend for the year ended March 31, 2021.

Item no. 3 – To appoint a Director in place of Mr. Rajesh Kumar Srivastava (DIN 02215055) who retires by rotation and, being eligible, offers himself for re-appointment.

Item no.4 – To appoint a Director in place of Mr. Anant Pande (DIN 08186854) who retires by rotation and, being eligible, offers himself for re-appointment.

Now, items of the Special Business considered by the Board as unavoidable are proposed for approval of the members by way of an Ordinary Resolutions.

Item no.5 – To approve appointment of Ms. Ameeta Chatterjee (DIN 03010772) as an Independent Director of the Company to hold office for a term of 5 years ending on April 16, 2026.

Item no. 6 – To approve appointment of Mr. Arjun Shanker Bhartia (DIN 03019690) as a Director liable to retire by rotation.

Item no. 7 – To approve remuneration of Rs. 4.7 lac to M/s. J.K. Kabra & Co., Cost Auditors for the Financial Year ending March 31, 2022.

The text of the resolutions along with the Explanatory Statement is provided in the AGM Notice circulated to the members.

I would now invite a shareholder who has registered as Speaker Shareholder. I would now request Moderator to invite the Speaker Shareholder.

Moderator: Thank you. We now invite our Speaker Shareholder, Mr. Ravi Kumar Naredi from Bhilwara, Rajasthan to speak please.

Ravi Kumar Naredi: Respected Chairman, MD, Honorable Board of Directors, and fellow shareholders. Sir, you have made annual report very informative and took too much time to read this. All the best for everything. Sir, CAPEX plan you have just mentioned, and I would want to ask if we make Re. 1 CAPEX, how much topline we get? That is my question.

Moderator: Thank you. I now request Mr. Rajesh Kumar Srivastava to continue the proceedings.

Rajesh Srivastava: Thank you, Mr. Naredi. We have also received questions from Mr. Ravi Kulkarni. And I would like to answer all of them together.

So, Mr. Naredi, first of all, thank you so much for your compliment about our Annual Report. This being our first Annual Report after demerger, we have given all the details about businesses so that our stakeholders can really understand our business and appreciate. Now coming to your question on future outlook of our business. As Chairman has already spoken in his speech, that the global customers continue to actually explore the opportunities for having an alternate source from a low-cost country. This is actually helping us to get additional expanded business.

Apart from that customers are also looking at divestment of their business of supply chain from China to India. Now that is also helping us to take the

investment decision and growing our business. Jubilant Ingrevia is ideally positioned to capitalize the growth opportunities because of its deep expertise into multiple chemistry platforms, our cost leadership with global size, and long-standing relationship with the customer.

This is helping us to take this opportunity into our business growth prospective. Our business growth strategies and investments are driven by growing customer demand, forward integration, and geographical expansion of the market and a strong customer relationship. And we will continue our focus on growing the volume driving margins, customer base expansions, and expanding our global footprint on sustainability.

Now addressing your question on our expansion plan, though the Chairman has already given a detailed list of all of our expansion projects. But I would like to once again highlight that we plan to double our revenue in five years' time from the base of FY21 by taking care of these investments, which I am just going to highlight.

Some of the key investments which we are planning to do in next two to three years are as follows. There are some investments which we are doing for expanding our volume due to the customer demand and our geographical expansion and these CAPEX are number one Acetic Anhydride new plant, which is expansion of our existing capacity of Acetic Anhydride.

We also plan to expand our Vitamin B3 volume. This is because we are growing our market share in our existing geography as well as we are adding new geography into our customer base. Apart from this, we are also looking at niche products like supplying to pharmaceutical industry our Niacinamide. Because of these additional requirements, we are planning to expand our capacity in Niacinamide.

We are also expanding our capacity in CDMO business as we explained you earlier also and Chairman also explained that we are having a very, very positive traction in our CDMO business and therefore we are expanding in both GMP as well as non-GMP facilities for our CDMO business.

Apart from this, we are making investments to add new platforms and new business opportunities. And these are: number one is the diketene platform and the phase one of diketene platform as chairman has explained is going to come in this financial year and we have another two phase of expansion of diketene. This will give us an opportunity to grow in a new platform serving to almost similar customers profiling which we are already dealing in, which is agrochemical, pharmaceutical, and other specialty chemical customers.

The second growth platform we are putting investment on is our agro active business. Now, this is a new business opportunity, which we are getting into, but these are all value addition of our existing intermediate. So, this is an obvious entry to our value-added products, but with a new platform of agro active. And the third one, which we are entering into is the new product into nutrition premix.

So, with these key investments, we are planning to grow our business in five years in revenue to make it double from the base of FY21. And on your question of what will be our cash outflow on CAPEX, I think chairman has already explained in the speech in the current financial year in FY22 our CAPEX outflow should be in and around Rs. 350 crores.

And in next two to three years, we plan to have a CAPEX outflow of Rs. 900 crores which we have already stated in various presentations. With this, thank you for your questions.

We have tried to answer your questions. If any of your questions still remains unanswered, you may please write to us at the investor ID and we will respond to you.

I now hand over the proceeding of the meeting to the Chairman.

Shyam S. Bhartia: Thank you, Rajesh. Members may note that the e-voting on the NSDL platform will continue for the next 30 minutes. Thereafter, the proceedings of the meeting shall be closed. Members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Mr. Devesh Vasisht,

partner of M/s. Sanjay Grover & Associates, Company Secretaries as Scrutinizer to supervise the e-voting process. The result of the voting shall be declared not later than 2 working days of the conclusion of the meeting. Results shall be available on the website of the Company, Stock Exchanges, and NSDL and shall also be available at the Registered Office and Corporate Office of the Company.

I once again thank you all for participating in the AGM.

Deepanjali Gulati: On behalf of the members present, I propose a vote of thanks to the Chair.

Thank you everyone.

E-voting continued for 30 minutes

Moderator: Dear Members, as advised by the Chairman, the time for e-Voting has elapsed, and he is of the view that all members who are participating in the Annual General Meeting have been given adequate time and opportunity to vote at the AGM and this concludes the proceedings of AGM. Thank you all for participating in the AGM and e-voting.