



**TRANSCRIPT OF THE 18<sup>TH</sup> ANNUAL GENERAL MEETING OF JUBILANT INDUSTRIES LIMITED HELD ON MONDAY, SEPTEMBER 23, 2024 AT 03:00 P.M. THROUGH VIDEO CONFERENCING**

**Mr. Brijesh Kumar**

**Good Afternoon everyone! Dear Members,**

It is my pleasure to welcome you to the 18th Annual General Meeting of your Company. In compliance with the circulars issued by Ministry of Corporate Affairs and Securities Exchange Board of India from time to time, this meeting is being convened via video conferencing.

For the smooth conduct of the meeting, all members will be in mute mode. Please note that in terms of the MCA Circulars, the proceedings of the Annual General Meeting are being recorded and transcript of the proceedings shall be available on the Company's website.

In accordance with the provisions of Companies Act, 2013 & Rules made thereunder and SEBI Listing Regulations, the Company has extended to its members the facility to exercise their right to vote on all the items of agenda of this meeting through remote e-voting facility and e-voting at the AGM. The remote e-voting facility commenced on Friday, 20th September, 2024, at 9:00 a.m. and concluded on Sunday, 22nd September, 2024, at 5:00 p.m.

For those members who were unable to cast their votes via remote e-voting, I kindly request you to cast your votes during this meeting. The icon for e-voting is available on the login page, and the e-voting facility is now active.

Mr. Kapil Dev Taneja, Partner of Sanjay Grover & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the voting process.

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

Since the requisite quorum is present, I now handover the proceedings to Mr. Priyavrat Bhartia, Chairman, who has joined from New Delhi.

**Mr. Priyavrat Bhartia**

Thank you Brijesh:

Good After Noon Ladies and Gentlemen!

On behalf of Jubilant Industries Limited, I extend a warm welcome to all the shareholders who have joined this AGM.



The company has taken all the necessary steps, as required by law, to enable the members to participate in this meeting via video conferencing and exercise their voting rights on the resolutions mentioned in the notice convening this AGM.

As we have the requisite quorum present, I call this meeting to order.

Let me introduce, the Directors and KMPs of the Company who are present at this meeting -

1. Mr. Mohandeep Singh, CEO & Managing Director, joining from Gurugram.
2. Mr. Radhey Shyam Sharma, Independent Director and Chairman of Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, joining from Gurugram.
3. Mr. Ravinder Pal Sharma, Independent Director and Chairman of Audit Committee and Risk management Committee, joining from New Delhi.
4. Ms. Sanjanthi Sajan, Independent Director, joining from Bengaluru.
5. Mr. Umesh Sharma, Chief Financial Officer, joining from Gurugram.
6. Mr. Brijesh Kumar, Company Secretary & Compliance Officer, joining from Gurugram.

Mr. Shamit Bhartia, Non-Executive Director could not attend the meeting due to his pre-occupation.

Mr. Pranav Jain, Partner of BGJC & Associates, Statutory Auditors and Mr. Kapil Dev Taneja, Partner of M/s. Sanjay Grover & Associates, Secretarial Auditors and Scrutinizer, are also participating in the meeting.

In FY 2024, our Consolidated Revenue from Operations was ₹ 12,533 million, down from ₹ 14,729 million in the previous year, primarily due to lower raw material cost in polymer business and adverse conditions in the agri business. Despite the losses in agri business, we achieved an EBITDA of ₹ 1,077 million for FY 2024, compared to ₹ 1,029 million last year. Our net profit after tax for the year was ₹ 292 million (from continuing operations).

We extend our heartfelt gratitude to all our stakeholders including shareholders, Board of Directors, customers, suppliers, bankers and our employees for continuing their support and upholding their confidence and trust in us. I am confident that together, we will navigate the challenges, seize the opportunities, and build a prosperous future for all.

Now, Brijesh will take us through the agenda items.

### **Mr. Brijesh Kumar**

Since the AGM Notice along with the Annual Report for the financial year ended March'24, have already been circulated to the members through electronic mode, I take the AGM Notice convening the meeting as read.

The Statutory Auditors and Secretarial Auditors have expressed unqualified opinion in their respective audit reports for the financial year March'24. There were no qualifications, observations or adverse comments on the financial statements and matters which have any



adverse effect on the functioning of the Company. So, the same is not required to be read at this Meeting.

I, now, would like to brief the shareholders about the resolutions which are required to be passed today. There are “Five Resolutions” in the notice to be approved by the members at this Annual General Meeting.

**First Resolution** is to consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2024 and the reports of the Board of Directors and Auditor thereon by passing an Ordinary Resolution.

**Second Resolution** is regarding the appointment of a Director in place of Mr. Priyavrat Bhartia (DIN: 00020603), who retires by rotation and being eligible offers himself for re-appointment by passing an Ordinary Resolution.

**Third Resolution** is regarding the re-appointment of M/s BGJC & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company by passing an Ordinary Resolution.

**Fourth Resolution** is regarding Appointment of Mr. Mohandeep Singh (DIN: 10661432) as a Director of the Company by passing an Ordinary Resolution.

**Fifth Resolution** is regarding Appointment of Mr. Mohandeep Singh (DIN: 10661432) as Managing Director and Chief Executive Officer of the Company for a period of 5 (five) years by passing an Ordinary Resolution.

We now move on to our discussions with shareholders who have registered themselves as speakers with the company for raising their queries or to share their views.

In case of connectivity problem at speaker shareholder’s end, we will ask the next speaker shareholder to join and once the network connects the speaker shareholder may re-join the meeting after all the other speaker shareholders have completed their respective turn.

Members are requested to be precise and limit your question or feedback to a maximum of one or two queries.

Answers to the queries raised by the speaker shareholders will be provided once all the speaker shareholders have spoken.

I now request the Moderator to call the name of speaker shareholder one by one.

**Moderator:** Thank You, sir, now I would request Mr. Tarun Srivastava, who is the 1<sup>st</sup> registered speaker shareholder to ask his question. We request you to please unmute yourself and turn your video on and ask your question.

**Tech Support:** Mr. Tarun, you are now unmuted.

**Mr. Tarun Srivastava:** Am I audible?

**Moderator:** Yes Sir, you are



**Mr. Tarun Srivastava:** Thank You, Hi! I am Tarun Srivastava, a shareholder of the Company. I would like to extend my heartfelt congratulations to the entire management team for their outstanding performance over the past several years, despite facing numerous challenges such as geopolitical issues. However, I have noticed that the Company's sales decreased by approximately 17% in the last fiscal year (2023-24). Could you please provide the reasons for this decline compared to the previous year?

**Mr. Umesh Sharma, CFO:** Just can we answer all the question in one go? Let's note down the questions, and then we can answer to all the questions shared with us. Right? Good.

**Moderator:** Mr. Srivastava, we are going to answer your queries, in the end. Now I request the next speaker shareholder Mr. Prashant Vinay Kaushik to please, unmute yourself and turn on your video and ask your queries.

**Mr. Prashant Kaushik:** Am I audible to you all.

**Moderator:** Yes Sir, you are

**Mr. Prashant Kaushik:** Yeah. Good afternoon!! All the dignitaries. directors and shareholders. I am Prashant Kaushik, a shareholder of the Company joining from Chennai. I am very happy with the recent movement in the share price. I would like to inquire about the Company's intimation to the Stock Exchanges in February regarding the demerger of the Agri Business into a new Company. Could you please provide the timeline for this restructuring and outline the benefits we can expect from this demerger? And one more question sir related that i have seen the balance sheet of the company in that revenue from operations is showing 0. So, what exactly it is just I want to know, sir.

**Mr. Umesh Sharma, CFO:** Yeah, thank you. We'll answer once. We'll be noting down all the questions. We'll answer all the queries.

**Moderator:**– Thank you, Prashant Ji. Proceeding to the next speaker. Shareholder, we have Mr. Naveen Kumar Gupta. Mr. Gupta we request you to please unmute yourself and turn on your video and ask your question.

**Mr. Navin Kumar Gupta:** Am I audible?

**Moderator:** Yes Sir, you are

**Mr. Navin Kumar Gupta:** I am Navin, a shareholder of the Company. I would like to congratulate the Company on its excellent results. I have one suggestion: the font size of the financial figures printed in the annual report is very small. It would be helpful if it could be larger for easier reading in the next fiscal year. My question is regarding dividends. The Company has not paid dividends for many years. Given that the Company has generated a cash surplus this year, can we expect a dividend next year? Thank You

**Moderator:** Thank you, Navinji, for your questions. Moving ahead to the next speaker. Shareholder, we have Mr. Ram Avtar, Sharma. So we request you to please unmute yourself and turn on your video and ask your question.



**Mr. Ram Avtar Sharma:** Hello Madam, मैं राम अवतार आपकी कंपनी का शेयरधारक हूँ, सबसे पहले मुझे कंपनी के बोर्ड और चेयरमैन जी को कंपनी की अच्छे प्रदर्शन के लिए बधाई देता हूँ। मैं पूछना चाहता हूँ कि क्या कंपनी अपने जीवनजोड़ उत्पाद का निर्यात कर रही है? अगर कंपनी ने ऐसा किया तो प्रतिक्रिया कैसी है

**Moderator:** Thank you, Sir. The next speaker shareholder is Mr. Kushal Sharma. So we request you to please unmute yourself and turn on your video and ask your question.

**Moderator:** We are not able to hear you. Mr. Sharma. We are not able to hear you. Due to technical reasons. We are not able to connect to Mr. Sharma.

**Mr. Umesh Sharma, CFO:** Let's move to the next speaker shareholder.

**Moderator:** Ok, Sir. The next speaker shareholder is Mr. Harsh Deepesh Shah.. So we request you to please unmute yourself and turn on your video and ask your question.

**Mr. Harsh Deepesh Shah:** Hi! Good afternoon! Am I audible?

**Moderator:** Yes Sir, you are

**Mr. Harsh Deepesh Shah:** Thank you so much for providing me with an opportunity to speak at the AGM. I had a couple of queries requesting your clarity on them. Firstly, regarding the performance, polymers and chemicals, vertical specifically, what is the Installed capacity, utilised capacity, capex incurred but awaiting commercialisation, and any other capex plans? Also, In Aug'24, Jubilant filed a revised EIA (Environment Impact Assessment) which includes plans to venture into construction chemicals, decorative paints/ resins and sealants. By when can this capex be commercialized? What could be Jubilant's right to win in this space? Or rather, does it have a right to win in this space, just like it 4xed its adhesives sales in 4 years with an incumbent being present in the segment controlling >70% of the market share?.

Secondly on Adhesives for Jubilant's range of adhesives under the Jivanjor Brand, when can one see them earning 20-30% EBITDA Margins (as earned by peers)? Are the margins currently improving due to better execution or softening of raw material prices, especially crude? Will we be able to maintain/ grow our EBITDA % margins when RM prices revert to mean? Also, what's the guidance on employee costs and advertisement spend as a % of sales?.

There is a 80 crore expense that we can see in other payables, which is, I assume, for rewarding the carpenters for the loyalty programs that we haven't or in place. Right? So want to understand more on this accounting treatment going to happen for this? 80 crores one and second, how do we know, compete in this space? Because, let's say our competitor has recently launched a scheme which says, for every 20 boxes of other sips the carpenters will be given one gold coin. So what is our retention strategy for the carpenters per se.

Now coming to the Latex and Spva Division, Can you share the revenue and EBITDA realizations on a per ton basis?

On the Agri division, when do we anticipate the record date to be for demerger? On a company level? Can you please give a breakup of fixed assets and debt in terms between the performance, polymers and chemicals vertical and the agree vertical, which is going to be demerged henceforth.



Lastly, Congratulations to Mr. Mohandeep Singh Ji for being appointed as a CEO it would be a pleasure to hear from him. It would be a pleasure to hear his vision for Jubilant, considering he's had extensive experience with Samsung for ~15 years.

So, yeah, these are my questions, Thank you so much for the opportunity. Again

**Moderator:** Thank you, Sir. The next speaker shareholder is Mr. Hitesh Doshi. So we request you to please unmute yourself and turn on your video and ask your question.

**Mr. Hitesh Doshi:** Am I audible?

**Moderator:** Yes Sir, you are audible

**Mr. Hitesh Doshi:** So good afternoon, everyone. So my 1st question is, are we working towards launching new products in our adhesives and maintenance product line? If not, where are our increased R&D allocation being used towards?

My second question is, for a better understanding of the Polymers and Chemicals production process, can you please provide quantitative insights on the extent to which we outsource our manufacturing process for the Wood working adhesives, Maintenance products, Wood finish, Food polymers and Latex (SBR and NBR)?

The next question is what are the raw materials needed to produce Wood working adhesives, Maintenance products, Wood finish, Food polymers and Latex (SBR and NBR)? Where are we sourcing said raw materials? What are the raw materials needed to produce SSP powder, SSP granular, Sulphuric acid, Bio-Poshan and Shakti-Zyme? Where are we sourcing said raw materials?

My next question is there is a significant increase in inventories can you please provide clarity on which segments these inventories belong to and can there be an inventory write-off?

The last question is, What steps do you anticipate the government taking to increase SSP adoption. Thank You

**Moderator:** Thank you, Sir. Moving forward with the next person on the list. We have Mr. Satish Doshi. So we request you to please unmute yourself and turn on your video and ask your question.

**Mr. Satish Doshi:** Hello, am I audible?

**Moderator:** Yes Sir, you are audible

**Mr. Satish Doshi:** My first question, apart from the hiring of our new MD and CEO, are we onboarding additional executive talent in our Polymers and Chemical segment. Are we expecting additional capacity expansions in our Agri business? Moreover, are we looking for foraying into Agri-chemical business?

As well if you could please, quantify the volume, degrowth in our agribusiness for each product specifically, SSP powder, SSP granular, Sulphuric acid, Bio-Poshan and Shakti-Zyme.

Can you please quantify the volume growth in our Polymers and Chemicals business for each product – Wood working adhesives, Maintenance products, Wood finish, Food polymers and Latex (SBR and NBR)? Moreover, can you please quantify the same for value degrowth in this segment if any. What is the growth in the number of outlets for our consumer facing business?



How much is this number expected to grow that number in this financial year and the next one what is our advertising and marketing budget for this year, this financial year and how has it shown any growth or degrowth retrospectively?

last one is compared to the adhesive industry leader, how big is our market share compared to Pidilite? Please provide a product-wise break-up for Wood working adhesives and Maintenance products.

**Mr. Satish Doshi:** Apart from this, thank you so much, and congratulations on the numbers. Thank you.

**Moderator:** Thank you, Sir. Now I request the management team to address the questions of the speaker shareholders. Thank you.

**Mr. Brijesh Kumar** –Thanks to the speaker, shareholder for asking various questions

**Mr. Brijesh Kumar:** Instead of giving a specific quantified answer, I request to Mr. Umesh Sharma, CFO of the Company to give answers to the queries asked by the Shareholders.

**Mr. Umesh Sharma:**

Yes, thanks Brijesh. Thank you everyone for joining this AGM

First question is from Mr. Tarun Kumar Srivastava regarding about the decrease in sales in the last financial year. So, Mr. Tarun, the decrease in sales was primarily due to lower raw material costs in the polymer business and adverse conditions in the Agri Business. The de growth in the agribusiness because of the various reason, the scared monsoon the untimely rainfall, and the other adverse condition due to availability of other lpk fertilizers. This is the main reasons has contributed to the degrowth in the Company's turnover.

Thank you, Mr. Prashant, for joining the AGM, your question was about the demerger of agribusiness. So, Mr. Prashant the Company has announced the de merger of this agribusiness and you are aware that the company is still undergoing the 1st merger which is in progress. Therefore once the existing merger is over the Company will start its demerger exercise and I expect this exercise will be completed in next 12 months. Post the completion of ongoing merger. Further with respect to your next question, the revenue is 0 because JIL runs all its business through its subsidiary Jubilant Agri and Consumer Products Limited, so there is no operation in Jubilant Industries Limited as of now so that is why revenue is 0 in JIL Standalone.

The next question was from Mr. Navin Gupta, thank you Navin Ji for raising the concern about the font size of Annual Report, we assure you we will take care of it. Further, you question regarding dividend so we have not paid the dividend, but company has been using its funds for its internal requirements and Company will continue to do so, and at appropriate time Company and the Board will decide and recommend the dividend for the shareholders.

The next question was from Mr. Ram Avatar Sharma, राम अवतार जी धन्यवाद प्रश्न पूछने के लिए हमने अपने जीवन जोर का उत्पाद का निर्यात किया है और काफी अच्छी प्रतिक्रिया मिल रही है हमारे ग्राहक से।



The next question was from Mr. Khushal Sharma, I think your question is regarding NCLT intimation about merger and shareholder ratio. So I think as per the Composite Scheme of Arrangement, which has now been approved by the Hon'ble NCLT, shareholder will receive 1 equity share of Jubilant Agri & Consumer Products Ltd. for every 1 equity share of Jubilant Industries Limited.

The next questions was from Mr. Harsh Deepesh Shah, regarding capacity utilization so the Company is fairly utilizing its capacity and the existing capacity is sufficient to meet its business requirement and Company will take appropriate action as in when needed based on the market demand to increase the capacity. As far as the Environment Clearance (EC) status is concerned the company keep on filing the ECs, because taking EC is a long term process, and it take 2 to 3 years to get an Ec. But as such there is no firm outlay on any such expenditures. The company is vigilant about its various scheme for his influencer, and in line with the competition. So as and when appropriately, the schemes will be launched in line with the market expectations.

The next questions was from Mr. Hitesh regarding bout launching the new product and receive in maintenance product line and something about the R&D allocation. So you know the Company is focused on the development and introduction of new products based on market needs and demand, and it will continue to do so. The Company provides a detailed analysis of its various segments' revenue and results in the Investor Presentation for better understanding. At the appropriate time, the Company will explore other modes of interaction with shareholders. The Company maintains its inventory and working capital in line with business requirements to avoid sales and production loss. All the RMC are sourced either locally or some of the RMC. are imported in the country based on the availability of the raw materials, whether in India or overseas.

The next questions was from Mr. Satish Doshi regarding hiring of the new talent MD, CEO. So your Company was visilient about this talent requirement and we'll hire appropriate tenant agile when needed. Further currently the company has sufficient capacity in all the business segments. and so the new capacity, when the company will like plan its new capacity expenses as and when we feel that they need for expansion, and that appropriate time the intimation will be filed with the Stock Exchange, as in when we decide to do so. The Company is continuously adding new outlets in the new Territories for its other businesses, and that company will do so based on the market demand, market expectation and marketing strategy of the Company. Further the product wise breakup and everything are available on our Investor Presentation filed with Stock Exchanges.

Mr. Umesh Sharma, CFO asked the speaker shareholders that It is not possible to answer all the questions here therefore he requested to shareholders please refer the Companys' Investor Presentation filed with Stock Exchanges for more financial details.

Thank you all for your active participation, and the kind of interest you have shown in the company which shows that you're going through your question. It shows that you have shown immense interest in the company, and I'm thankful to all.





**Mr. Brijesh Kumar:** Thank you Sir, all the questions have already been answered. I would request Mr. Priyavrat Bhartia to proceed further.

**Mr. Priyavrat Bhartia (Chairman)**

Members may note that the e-voting on the NSDL platform will continue for the next 30 minutes.

The result of voting on the items of the agenda of this meeting shall be declared within the prescribed time-limit and I hereby authorize Mr. Brijesh Kumar, Company Secretary to declare the results. The same shall also be available on the website of the Company, Stock Exchanges and NSDL. Further, the same shall also be displayed at the Registered Office and Corporate Office of the Company.

All the business set out in the Notice of this Meeting have been concluded, and a time period of 30 minutes is available with the Members for voting, after which the Meeting will stand closed.

I thank all the members for their participation.

**Mr. Brijesh Kumar:**

Members are now requested to please proceed with e-voting, which is available for next 30 minutes.

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

Thank you all for your participation! I wish you all a safe and healthy future.