

**Transcript of 34th AGM of Bhageria Industries Limited held on
Saturday, September 9, 2023:**

Mr. Krunal Wala (Company Secretary): It gives me immense pleasure to welcome you to the 34th Annual General Meeting of your Company.

This Annual General Meeting is being conducted through Video Conferencing/Other Audio-Visual means in compliance with the Circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India from time to time.

Your Company has taken every step to ensure that the shareholders are able to attend and vote at this AGM in a seamless manner. Your Company has tied up with the system provider 'Central Depository Services Limited' (Hereinafter called as "CDSL") for Remote e-voting, e-voting during the AGM and participation at the AGM through VC/ OAVM.

In accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the members have been provided the facility to exercise their right to vote by electronic means, either through remote e-voting or by e-voting at the AGM. The remote e-voting period was open from Wednesday, September 06, 2023 at 9.00 a.m. (IST) till Friday, September 8, 2023 at 5.00 p.m. (IST).

Members joining the meeting through Video Conferencing, who have not cast their vote by remote e-voting, may vote through e-voting facility provided by CDSL, at the AGM. The window for electronic voting shall remain open till 15 minutes post conclusion of AGM and I request the member to cast their vote. The members who have already casted their vote by remote e-voting prior to the AGM shall not be entitled to cast their vote again.

Your Company has appointed Mr. Mahesh Soni failing him Ms. Sonia Chettiar, Partners of M/s GMJ & Associates, Company Secretaries as the scrutinizer to conduct the voting process in a fair and transparent manner.

Since this AGM is being held through VC, the facility for appointment of proxies by the Members was not available for this AGM.

As required under Companies Act, 2013, the Register of Directors and Key Managerial Personnel and the Register of Contracts or arrangements in which directors are interested are made available for inspection in electronic mode to the members who had made specific request for inspection by sending an email to the Company.

As per Section 103 of the Companies Act, 2013 read with rules made thereunder and MCA General Circulars, the quorum required for this meeting is minimum 30 members, present physically or through VC/OAVM facility.

I would like to declare that the required quorum for this meeting is Present. I now call the meeting to order.

Let me introduce members on the Board, who are present with us today.

Director Name	Designation
Mr. Suresh Bhageria	Chairman
Mr. Vinod Bhageria	Managing Director
Mr. Vikas Bhageria	Jt. Managing Director
Mr. S. S. Gupta	Independent Director
Prof. Dr. G. D. Yadav	Independent Director
Ms. Ameya Jadhav	Independent Director
Mr. M. M. Chitale	Independent Director
Mr. Vikas Goel	Independent Director

In addition to above, Mr. Gaurav Sharda, Partner of M/s. Sharda & Parekh LLP, Statutory Auditor, Mr. Mahesh Soni, Partner of M/s. GMJ & Associates, Secretarial auditor, Mr. Sandeep Poddar, Proprietor of M/s. Sandeep Poddar & Co., Cost Auditor, Mr. Rakesh Kachhadiya, Chief Financial Officer and Myself Krunal Wala, Company Secretary of the Company.

Now I would like to request Chairman to share his thoughts with Members.....

Mr. Suresh Bhageria (Chairman) - Chairman Speech:

Good Morning!!

Dear Members,

I am delighted to connect with all of you again at the 34th Annual General Meeting of the Company. First of all, a big congratulations to Team ISRO and every citizen of India on the successful landing of Chandrayaan-3 on the moon. With this accomplishment, India has not only become the first country to launch a spacecraft on the lunar South pole but also the fourth one to land a spacecraft on the moon. This month is a proud moment for all of us as our great nation is going to host the committed G20 summit. As per our Prime Minister, Shri Narendra Modi Ji, India's G20 presidency is the people's presidency. I would urge all my stakeholders to contribute through their efforts to make this summit a grand success and bring fame to India on the global landscape.

At the very outset for the Bhageria Industries, let me express my deep and heartfelt condolences to the families of the two workers and one employee who lost their lives in an accidental reactor explosion in the factory in October 2022. May the departed soul rest in peace. My warm concerns for twelve other workers who were injured in the same incident and they have shown full recovery.

The company has fulfilled all its stipulated requirements in this regards. Rest assured all safety practices were implemented stringently and uncompromisingly!

Going ahead in 2022-23 the global situation still continues to be in a state of flux. While the Russia-Ukraine war continues, affecting several aspects of global economy, India on its part has been fairly successful in tying up with likeminded countries to 'Grow and let Grow'.

Inspite of all the challenges, Bhageria Industries Limited has tried to sustain the business & operations by performing steadily during the FY 2022-23.

The Company recorded revenue of ₹ 505.10 Cr. compared to ₹ 605.28 Cr. in the previous financial year. Our EBITDA was ₹ 58.14 Cr. as compared to ₹ 125.00 Cr. in previous Financial Year. The Company reported PAT of ₹ 15.05 Cr. as compared to ₹ 70.50 Cr. in the previous financial year.

As we continue to enjoy the status of debt-free company it enables us to strengthen our margin and liquidity position. We remain optimistic about our future multiple opportunities that have been presented to us with changing global and domestic circumstances.

Current Scenario:

The Local demand was meagre and affected Business of the Company due to High Variation in Raw Material Cost, sluggish behavior by Chinese i.e. China is dumping material at very low cost all over the globe etc., the Company has recorded Net Profit of ₹ 1.29 Cr. for the quarter ended June 30, 2023.

Expansion and Operational highlights:

The constructions of Pilot Active Pharmaceutical Ingredients Plant (“API Plant”) is completed and we are happy to inform you that the Company have successfully cleared Quality Check of Dexamethasone and Dexamethasone Sodium Phosphate and Methylcobalamin. Further, we are about to start manufacturing of validation batches. The consent to operate, for API Plant will be expected to be received shortly.

There are many business developments related to Solar Projects which are under process.

Dividend:

Your Company has maintained a sturdy track record of rewarding the shareholders with a generous dividend pay-out.

In view of the steady financial performance, The Board has recommended a dividend of ₹ 1/- per share on face value of ₹ 5/- each, which is 20% of the equity share Capital.

If approved by the members, the year 2022-2023 will be 30th consecutive year of payment of dividend of your Company.

Corporate Social Responsibility:

Your Company is fully committed towards better development of the Community through its CSR initiatives. During the year, your Company has spent a Total amount of ₹ 287.48 Lakhs out of which ₹ 60.04 Lakhs towards s Education Support Program, ₹ 174.89 Lakhs towards Health & Health Initiatives programs, ₹ 22.55 Lakhs towards Rural Development and ₹ 30.00 Lakhs towards Social & Cultural Development.

Acknowledgment:

I would like to express my appreciation to the Board of Directors for their constant support and guidance in taking the Company ahead and to our employees, vendors, customers for their vital contribution in the success of our business.

Mr. Krunal Wala (Company Secretary): Thank you Sir,

I will now proceed with the agenda of the meeting.

NOTICE:

The Notice convening the meeting together with Integrated Annual Report for the Financial Year ended March 31, 2023 were circulated to the members of the Company in compliance of the relevant circulars of the Ministry of Corporate Affairs and Securities and Exchange Board of India. With your permission, I take them as read.

AUDITORS' REPORT/ SECRETARIAL AUDIT REPORT:

The reports of the Statutory Auditors and Secretarial Auditors of the Company do not contain any qualification or adverse remarks, therefore with your permission I take the same as read.

--- QUESTIONS & ANSWER SESSION ---

We have 6 (Six) registered speakers, The Question and Answer Session will be anchored by the Host of the Meeting. Host will allow all Registered Speakers one by one for the Question and Answer Session. Members are requested to unmute their microphone and also enable their web cam, if they wish to appear on the video.

Members are requested to restrict their questions to 3 (Three) minutes, so that all speakers may get an opportunity to share their views.

Members are also requested to mention their Name, Client ID/Folio Number and location.

I now request the Host to commence the Question and Answer Session

Host: Yeah, Krunal. Thanks, Can you please dictate the name of the speaker?

Mr. Krunal Wala (Company Secretary): Yeah! I will take.

1st speaker is Mr. Bimal Kumar Agrawal.

Host: Yeah! Mr. Bimal Kumar Agrawal is there with us.

Mr. Krunal Wala (Company Secretary): Okay

Host: Mr. Bimal Please unmute and speak. Thanks

Mr. Bimal Kumar Agrawal (First Speaker):- I would like to Thank the Company Secretary and legal team, for providing me the Annual report well in advance.....aadd....aa..uummmm...

Mr. Krunal Wala (Company Secretary): Sir, Your voice is not clear.

Mr. Bimal Kumar Agrawal (First Speaker):- Sir, I am travelling that's why. It's Okay. Thank you very much.

Mr. Krunal Wala (Company Secretary): Okay sir, Thank you.

2nd speaker is Satish Shah.

Host: Not available in the meeting sir, we can go to the next one.

Mr. Krunal Wala (Company Secretary): Okay

3rd speaker is Prakashini G Shenoy.

Host: - Unavailable in the meeting sir.

Mr. Krunal Wala (Company Secretary): Okay

4th speaker Vaibhav Badjatya

Host:- Yeah!. Vaibhav Ji is there with us. Vaibhav Ji please unmute yourself and speak.

Mr. Vaibhav Badjatya (Fourth Speaker): Hi Sir, Hope I am audible.

Mr. Krunal Wala (Company Secretary): Yes Sir.

Mr. Vaibhav Badjatya (Fourth Speaker): Okay, thanks, Thanks a lot for providing me the opportunity to speak. Umm you know and I will not take much of the time but I have already submitted my list of questions, do you have them in front of you?

Mr. Krunal Wala (Company Secretary): Yes Sir.

Mr. Vaibhav Badjatya (Fourth Speaker): Okay Great. If the board and management can answer them point by point that would be really helpful. Umm and yeah apologies for sending the long list of questions, but this is the only opportunity we get to understand the business and to interact with the management and to know future prospects of the company. So that's why the long list of questions, great if you can answer them point by point. That would be really helpful.

Mr. Krunal Wala (Company Secretary): Okay Sir! So, can we just give the all the answers without repeating the questions or first read the question and then the answer.

Mr. Vaibhav Badjatya (Fourth Speaker): Umm, I think anything is fine by my side. In the interest of time, you can skip the questions and just proceed with the answers.

Mr. Krunal Wala (Company Secretary): Okay

Mr. Vaibhav Badjatya (Fourth Speaker): yeah!

Chemical Related

Question: Are you seeing Chinese players again getting away with pollution issues due to slowdown in china forcing government to focus on growth than the environmental compliances? Are they regaining cost advantage due to relaxed pollution control environment? -

Answer: Yes, they are benefiting from a cost advantage due to the relaxed pollution control environment caused by China's focus on economic growth amid a slowdown.

Question: For H acid and Vinyl sulphone, do Chinese players have any advantage vis-à-vis Indian players in raw material sourcing at cheaper cost for caustic soda flakes, naphthalene and aniline?

Answer: Chinese players may have advantages over Indian players in sourcing raw materials like caustic soda flakes, naphthalene, and aniline due to factors like abundant supply, economies of scale, lower labour costs, and government policies.

Question: What is the fundamental reason that China is able to again sell H Acid and Vinyl sulphone in international market at low price? What is the source of their regained competitiveness?

Answer: China's ability to sell H Acid and Vinyl Sulphone in the international market at low prices stems from factors such as access to affordable raw material, high government subsidy, and favourable currency exchange rates, which collectively contribute to their regained competitiveness.

Question: Company has around 30% share in global Gamma Acid capacity. Who are the other top 3 producers of Gamma Acid?

Answer: Bhageria Industries Limited is a major producer of Gamma Acid, holding approximately 30% of the global capacity.

Question: Why are we only manufacturer of J Acid in India? What is the entry barrier for other players in this business?

Answer: The reason behind this unique position is the complex technical knowledge required for J Acid production and there is no entry barrier for other players.

Question: Company started sales of H Acid and Gamma Acid in major way from FY13 (10 years ago). However if we see fixed assets for FY11, FY12 and FY13, there was no major capex done by the company for capacities of these products. Can you please explain how did we start manufacturing H Acid and Gamma Acid in FY13 without in any major capex?

Answer: Initially, our company outsourced H Acid and Gamma Acid production to Nipur Chemicals Limited, which meant we didn't need to spend much on expanding production. Later, we acquired Nipur Chemicals Limited through amalgamation.

Question: Can you please provide revenue breakup of chemical division product wise for Vinyl Sulphone, H-Acid, sulphuric acid, J-Acid, Tobias Acid and other products both by volume and value?

Answer: Revenue breakup of Major products are as follows.

Products	Qty In MT	Value in Crores
Vinyl Sulphone	3,708	109
H Acid	4,117	176
Gamma Acid	812	48
Sulpho Tobias Acid	1,338	32
Sulphuric Acid 98 %	55,959	42
Total		406

Question: What would be use of 3.4 acres of land at GIDC, Vapi?

Answer: The Company is currently in the process of establishing an API project on a 3.4-acre land parcel located within the GIDC (Gujarat Industrial Development Corporation) area in Vapi.

Question: Companies has been historically doing sales of traded products as well. Can you please explain what the traded products are and what is need for the company to engage in trading activity?

Answer: The Company trades in chemical products when favourable market opportunities arise.

Solar Related

Question: Company commissioned 9.5MW of solar project in last quarter of FY22. However the revenue from solar business is flat during FY23. Can you please explain why additional solar plant has not generated any revenue in FY23 for 4.5MW capacity which is being sold outside?

Answer: In FY22, we finished a 9.50 MW solar project to boost our EPC credentials. We also commissioned a 4.50 MW captive solar plant for our chemical business but No new EPC contracts were executed in FY23.

Question: Is there a plan to expand further in EPC business of solar plants?

Answer: Certainly, we have future expansion plans in the Solar EPC sector

Question: Is there a long term plan to demerge the Solar business of the company?

Answer: There are currently no plans related to the demerger of our routine solar business.

Pharma Related

Question: What are the APIs we aim to produce in Pharma business apart from Vitamin B-12 and Dexamethasone? Why SSPL cannot go in these products independently, without our help?

Answer: Our primary aim is to produce Vitamin B-12 and Dexamethasone in the pharmaceutical sector. Both companies are joining forces in this era of collaboration to create a new venture focused on API (Vitamins & Steroids) production. This initiative aims to enhance India's self-reliance in essential molecules, reducing dependence on imports, particularly from China. This partnership is rooted in our shared vision of supporting Indian industry and contributing to the "ATMANIRBHAR BHARAT" (self-reliant India) initiative. SSPL excels in Pharma marketing, complemented by BIL's production and management expertise, which together will drive significant growth.

Question: What would be the total capital expenditure required for the business and when are we likely to start sales and production?

Answer: The estimated capital expenditure for establishing a small-scale production capacity was in the range of 13 to 14 Crores. Currently, we are in the final stages of plant commissioning.

Question: Would we target regulated market or largely focus on unregulated/semi regulated markets?

Answer: We would like to target both regulated markets and unregulated/semi-regulated markets as opportunities arise in the future.

Hope I have answered all queries which you had send on the mail.

Mr. Vaibhav Badjatya (Fourth Speaker): Yeah! Thanks Sir. Thanks a lot for providing detailed answer and I appreciate the thoroughness of the responses. That's it from my side sir. Thank you.

Mr. Krunal Wala (Company Secretary): Thank you.

5th speaker is Vasudha Vikas Dakwe

Vasudha Vikas Dakwe (Fifth Speaker): Can you hear me sir.

Mr. Krunal Wala (Company Secretary): Yes Yes.

Vasudha Vikas Dakwe (Fifth Speaker): a very good morning respected chairman sir and board of directors and my fellow shareholders. Myself Vasudha from Thane. I would like to Congrats our Company Secretary team for sending me the soft copy of the report well in advance which

in itself is clear and transparent. The opening speech given by the chairperson is also very informative. I would like to ask.

Question: What is our Attrition Rate?

Question: What is our next 2 to 3 year roadmap?

With this I support all our resolutions, thank you very much and wish the company all the best for coming financial years and my best wishes for all the festivals coming during the month of Shraavan and Bhadrapath. Thank you very much sir.

Mr. Krunal Wala (Company Secretary): Thank you.

Rakesh Kachhadiya (Chief Financial Officer): Attrition rate already mentioned in the BRSR report. You can go through the BRSR Report. You will get the attrition rate of the company. And for the future plan, we currently have an API project in pipeline which will get commenced shortly. This is for the CAPEX Plant.

Suresh Bhageria (Director) : We are finding some possibility of putting up the new projects at the plant which we have at Boisar and shortly when we finalize we will inform to the stock exchange and you can note from there and similarly in the solar, EPC Contract Business is in the pipeline and once it is finalized we will inform to you.

6th speaker is Kirti Shah.

Host: Hello?

Mr. Krunal Wala (Company Secretary): Yes?

Host: Not available in the meeting.

Mr. Krunal Wala (Company Secretary): Okay.

Hoping that all the queries raised by the members were satisfactorily answered by Chairman & Chief Financial Officer

If member have any further queries they can write to us on info@bhageriagroup.com.

There are a Total of 9 (Nine) resolutions proposed to be passed at this AGM and the same forms part of the notice convening this AGM, which was already circulated to the members. However, this meeting is conducted by Video Conferencing, we shall not have any proposing and seconding on the resolutions put to vote.

I shall quickly read out all the 9 (Nine) Resolutions:

Item No. 1	Consideration and adoption of the Audited Financial Statement (i.e. Standalone & Consolidated) for the financial year ended March 31, 2023 along with reports of the Board of Directors and Auditors thereon.
Item No. 2	Declaration of Dividend on Equity Shares for the year ended March 31, 2023.

Item No. 3	Appointment of Mr. Suresh Bhageria who retires by rotation and being eligible, offers himself for re-appointment.
Item No. 4	To re-appoint Mr. Suresh Bhageria (DIN: 00540285) as the Whole-time Director of the company designated as “Executive Director & Chairman” for a term of 3 (Three) years
Item No. 5	To re-appoint Mr. Vinod Bhageria (DIN: 00540308) as Managing Director of the company for a term of 3 (Three) years.
Item No. 6	To re-appoint Mr. Vikas Bhageria (DIN: 02976966) as the Whole Time Director of the company designated as “Jt. Managing Director” for a term of 3 (Three) years.
Item No. 7	To re-appoint Mr. M. M. Chitale (DIN 00101004) as Non-Executive Independent Director for a second and final term of 5 (Five) consecutive years
Item No. 8	To appoint Mr. Vikas Goel (DIN 08265897) as Non-Executive Independent Director for a first term of 5 (Five) consecutive years
Item No. 9	To approve payment of Remuneration to M/s Poddar & Co., Cost Accountants (Firm Registration No. 101734), the Cost Auditors of the Company for the FY 2023-24

Members may note that the e-voting on the CDSL platform has been provided throughout the AGM and will continue to be available for the next 15 minutes. Therefore, members who have not casted their vote yet are requested to do so.

Kindly note that the results of e-voting will be announced within 2 working days from the conclusion of the AGM in compliance with the SEBI Listing Regulations. The Consolidated results will be displayed on the website of the Company and will also be intimated to the stock exchanges.

I propose a vote of thanks to the Chairman and request him to deliver the Conclusion Statement to our members.

Mr. Suresh Bhageria (Chairman): As the meeting has considered all the matters, I now declare the meeting as closed.

Conclusion Statement:

I on behalf of the entire board of directors of the company express my gratitude to our valued shareholders for attending this meeting and making it a success.

“Happy Ganesh Chaturthi to all in advance and may Lord Ganesha keep you all happy, healthy and safe....!!”

Thank you...

All the Directors Present: Thank you. Sir. Thank you. Thank you very much. Thank you.

Host: Thank you Chairman Sir. Can we end this session??

Mr Krunal Wala (Company Sectratory): Yes...please

Host: Ya, Thank You.