

**TRANSCRIPT OF EXTRA ORDINARY GENERAL MEETING (EGM) OF NEOGEN CHEMICALS LIMITED  
HELD ON FRIDAY, DECEMBER 31, 2021 AT 4.00 P.M. IST THROUGH VIDEO CONFERENCING**

**PRESENT:**

**Shareholders:** 72 (Seventy Two) shareholders were present

**Chairman and Board Members Present:**

Mr. Haridas Kanani	Chairman & Managing Director
Dr. Harin Kanani	Managing Director
Mr. Anurag Surana	Non-Executive and Non-Independent Director
Mr. Shyamsunder Upadhyay	Whole Time Director
Prof. Ranjan Kumar Malik	Independent Director
Mrs. Avi Sabavala	Independent Director
Mr. Sanjay Mehta	Independent Director
Mr. Hitesh Reshamwala	Independent Director
Mr. Ketan Vyas	Chief Financial Officer

**In Presence of:**

Ms. Unnati Kanani	Company Secretary
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**Invitees Present:**

Mr. Jayesh Shah	Representing Statutory Auditors
Mr. Devendra Deshpande	Representing Secretarial Auditor

**Moderator:**

Mr. Vishal Parad	Representing Link Intime India Private Limited (RTA)
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**Ms. Unnati Kanani** Good evening, Ladies and Gentlemen. I hope you and your family members are safe and healthy.

I, Unnati Kanani, Company Secretary of the Company, participating from our Thane head office, welcome you all to the Extra Ordinary General Meeting (EGM) of Neogen Chemicals Limited. The EGM is being conducted this year through Video Conferencing (VC) and Other Audio & Visual Means (OAVM) as directed by MCA and SEBI. The time is now 4.00 P. M. and before our Chairman commences the Meeting, I would like to take you all through certain important aspects regarding the proceedings of this EGM.

The Company had provided through Link Intime India Private Limited - Registrar and Share Transfer Agent (RTA) the facility of e-voting which commenced on Tuesday, December 28, 2021 at 9:00 A.M IST and ended on Thursday, December 30, 2021 at 5:00 P.M. IST. RTA will also facilitate e-voting during the EGM for members of the Company to cast their votes electronically on the resolutions mentioned in the notice of EGM and participation in the EGM through VC / OAVM. Since this EGM is being held electronically, physical attendance of the



members has been dispensed with and also the requirement of appointing proxy is not applicable.

The notice of EGM dated December 08, 2021 along with the Explanatory Statement was emailed electronically on December 8, 2021 to all the shareholders whose e-mail id(s) were registered with the Company and Depository Participant (DP) and the same was uploaded at the website of the company and the exchanges where the shares of the company are listed. The shareholders have been provided with the facility to join the meeting through Video Conferencing / OAVM on a first come first serve basis subject to a maximum of first 1000 members.

All the members joining this meeting are by default placed on mute mode to avoid any background noise disturbance and to ensure smooth and seamless conduct of the meeting. During the question answer session, the names of the speaker shareholders, who have registered themselves in accordance with the guidelines mentioned in the notice will be announced.

The Statutory Registers are available for inspection by the members through electronic mode.

Members who did not vote earlier through remote e-voting may vote electronically during the course of the meeting and 30 minutes after this meeting. There is e-voting icon button on the screen through which you may cast your vote.

Mr. Devendra Deshpande, Practising Company Secretary, Pune has been appointed as the Scrutinizer by the Board for scrutinizing the remote e-voting process and e-voting during the process of EGM in a fair and transparent manner.

As I can see on my dashboard, 58 members have joined the meeting and hence I confirm that the requisite quorum is now present.

We have our:

**Chairman and Managing Director Mr. Haridas Kanani** attending from our Thane HO

**Dr. Harin Kanani, Managing Director** attending from Thane HO

**Mr. Shyamsunder Upadhyay**, Whole time director attending from his thane residence

**Mr. Anurag Surana**, Non-Executive Director attending from Goa

**Mrs. Avi Sabavala, Independent Director** attending from her Baroda residence

**Mr. Hitesh Reshamwala, Independent Director** attending from his residence at Andheri, Mumbai

**Prof. Ranjan Malik, Independent Director** attending from his thane residence Mumbai

**Mr. Sanjay Mehta, Independent Director** attending from Vile Parle, Mumbai

**Mr. Ketan Vyas**, CFO attending from Thane HO

**Mr. Jayesh Shah**, Representing Statutory Auditors of the Company attending this meeting from Mumbai Office

**Mr. Devendra Deshpande**, Secretarial Auditor of the Company attending this meeting from Pune Office

**Ms. Unnati Kanani** Now, I request the Chairman to take the proceedings further.

**Mr. Haridas Kanani** Dear Shareholders,

Good evening and thank you for joining us today. I welcome you all to the Extra Ordinary General Meeting of Neogen Chemicals Limited. I trust you and your families are keeping safe and are in good health.

We once again meet on a virtual platform as the threat of Covid-19 pandemic has not yet subsided completely. We must all continue to keep vigil and remain cautious to fight this contagious virus together. On the positive side, this virtual forum has given us an opportunity to connect with more investors from India and across the globe from the comfort and convenience of their homes.

I would like to notify the members that I am attending this meeting from our Thane office, and in case due to bad connectivity, if I am unable to attend the entire session, Dr. Harin Kanani, your Company's Managing Director, will act as the Chairman and appropriately take forward the meeting's proceedings.

I understand from Ms. Unnati Kanani, our Company Secretary that the requisite quorum is present in this EGM. So, I call upon this meeting as open for discussion. The Company has received 1 Corporate Representation for attending the EGM from the shareholder holding 1,50,000 Equity Shares representing 0.64% of the Equity Share Capital of the Company as on the cut-off date December 24, 2021.

Now, let me narrate some highlights and significant developments that unfolded this year. We recently commissioned our Dahej plant, marking a major milestone in Neogen's journey of delivering sustained growth and profitability. This project was conceived and executed from grounds up in record time. Both the 1<sup>st</sup> as well as 2<sup>nd</sup> phase of expansion at Dahej Special Economic Zone (SEZ) is completed and the project is now been fully commissioned, adding 227 m3 reactor capacity for organic chemicals business (brominated derivatives / advance intermediates / CSM projects) thereby increasing the total installed capacity across all sites to ~400 m3. The new plant adheres to international best practices of quality, safety and engineering protocols, thereby increasing our ability to manufacture value-added products through multi-step processes and complex chemistries. The project was completed on time despite adverse external circumstances such as Covid-19 pandemic, which disrupted lives and livelihoods. In terms of people, our total team strength also grew to 429 employees as at the end of October 2021.

On the financial front, we demonstrated an encouraging performance during the current year on all the key parameters. Our focus was on maintaining the growth momentum while successfully implementing the expansion initiatives of the Company, which is reflected in the reported numbers. We have also started shipping products from the recently commissioned Dahej facility which has successfully initiated production of key complex molecules requiring multi-stage processes based on desired quality specifications of customers. We have, in fact, also started shipping products from Dahej facility to customers based in Europe, Japan and India. We are excited to take on more of such challenging chemistry assignments for developing novel, more complex intermediates in Pharma and Agro verticals, while offering customized solutions to our large existing clientele in India and across the globe. This has been possible due to the joint efforts of our entire workforce, which deserves to be commended for its dedication and committed service to your Company. I thank the entire Neogen family, including all our stakeholders for keeping faith in us throughout our growth journey.

Before I conclude, I would like to take a moment to dwell on the future opportunity. India continues to be a lucrative market for global chemical giants and innovators, and we at Neogen are making all efforts to capitalize this opportunity given our forte in complex and specialised chemistries. Our foray into lithium-ion battery materials segment is a step towards participating in the exponential growth potential that will come up in the next few years in the lithium-ion battery materials space.

To conclude, on behalf of the Board, I thank all the stakeholders for their contribution to Neogen's success over several decades. We thank the entire Neogen family for their dedicated support towards achieving our goals and vision. We also greatly value the continued support and confidence of our valued investors. We are glad to be connected with you as we embark on a trajectory of long-term growth and value creation for all stakeholders.

I now invite Dr. Harin Kanani, Managing Director, to brief you on the operating performance, growth plans, and the proposed initiatives on the road ahead for Neogen Chemicals.

Thank you

**Dr. Harin Kanani**

Thank you, Chairman Sir.

Dear Shareholders,

Good evening and a very warm welcome to all of you. I thank you for joining us today in this Neogen Chemicals Extraordinary General Meeting. It is your unwavering trust and support that motivates us to set higher benchmarks and consistently achieve them regardless of external challenges.

Our operations have demonstrated remarkable resilience and delivered performance on stated lines, despite unprecedented challenges caused by onset of COVID-19 pandemic and other supply disruptions. I would like to take this opportunity to thank all of our employees for their unconditional support and relentless efforts not only in keeping our operations running, but also ensuring that we adhere to customer's 'stringent supply timelines. Furthermore, I am glad to share that we strengthened our position as a reliable partner by providing steady supply to the essential sectors like pharmaceuticals, which was critical in supporting the country's overall health infrastructure in the wake of the pandemic.

As updated by our Chairman, we have fully commissioned the 1<sup>st</sup> and 2<sup>nd</sup> phase of expansion at Dahej Special Economic Zone (SEZ), in Gujarat in October 2021. This will help us focus more on value-added products that require multiple processes, and to further strengthen our capabilities in these areas.

I am happy to report that, despite several challenges on the ground, primarily due to the severe outbreak of CoVID-19 pandemic, that was accompanied by logistical and supply chain disruptions, Neogen has demonstrated its expertise across multiple chemistries to deliver continuous outperformance. While visibility in the existing business remains high, we foresee significant opportunities emerging in the custom synthesis and manufacturing and lithium-ion battery materials space, especially electrolyte manufacturing. To capitalize on these evolving prospects, we have announced a CAPEX outlay of Rs. 35 crore to manufacture 250 MT p.a. of electrolyte capacity for lithium-ion batteries, advanced chemistry cells and developing a pilot facility to speed up process development scale up and commercialization of specialty chemicals.

Further, the Board of Directors has recently approved the issuance of up to 16,04,710 equity shares on a preferential issue basis at an issue price of Rs. 1,402.12 per equity share, for a total value of approximately Rs. 225 crore. The objective of this fund raise is to help Neogen get the first mover advantage in some of these high potential opportunities and capture reasonable market share based on its proven capabilities and experience. The proposed issuance will bring on board some of the high-quality, marquee institutional investors, such as SBI Mutual Fund, Axis Mutual Fund, Plutus Wealth Management and White Oak Capital. The Company anticipates growth opportunities in its existing operations and continues to evaluate various avenues for organic/ inorganic business growth and expansion.

Neogen Chemicals is strategically positioned to capitalize from the global structural shift in the chemical supply chains. Our market leadership position, cost-effective manufacturing capabilities, and firm commitment to innovate will enable us to seize this opportunity. We will strive to deliver sustainable performance backed by strong people-centric approach, and focus on compliance with stringent quality, environment, and employee safety norms.

To close, I would like to extend my gratitude to all our stakeholders for putting faith and trust in us. Also, I would like to convey my appreciation to all our employees for their dedication and enthusiasm at work, our vendors, and customers for their continuing business relationships. We are committed to our values and objectives, and remain well-positioned to create long-term value for all our stakeholders by executing our planned initiatives.

Thank you.

**Ms. Unnati Kanani** Thank you, sir. I request our Managing Director to kindly take the proceedings further.

**Dr. Harin Kanani** Dear Members,

- As the Notice of the EGM dated December 8, 2021 comprising of the agenda for the meeting, detailed resolution along with the explanatory statement, have been circulated to the Shareholders and since no queries have been received from members, I propose to take them as read.

I now request the speaker Shareholders to express their views or ask any queries related to the Agenda Item of the Notice of EGM dated December 8, 2021.

**Ms. Unnati Kanani** I request the moderator to now open the forum for registered speakers to express their views or ask any queries.

**Mr. Vishal Parad** Our 1<sup>st</sup> Speaker for the event is Mr. Yusuf Rangawala

**Mr. Yusuf Rangawala** Hello, myself Yusuf Rangawala. Good noon, to Chairman and Secretary. I want to know:

How many employees we have at Dahej Plant?

What is the impact of COVID 19 pandemic on our staff?

With this I support all the resolutions and I wish company a very happy new year and we request for a visit to our Dahej Plant.

**Mr. Vishal Parad** Our 2<sup>nd</sup> Speaker for the event is Ms. Lekha Shah

**Ms. Lekha Shah** Good evening to respected Chairman, all the Directors and fellow members. Myself Lekha Shah from Andheri Mumbai. I extend my thanks to the Company Secretary Ms. Unnati Kanani for good investor relation service and mailing me Notice of EGM well in time. Happy new year to all the staff of our company.

I want to know how is our company operating? Staff is working from home or from office?

I support all the resolutions. All the best wishes for our company.

**Mr. Vishal Parad**

Our 3<sup>rd</sup> and last Speaker for the event is Ms. Elizabeth Mascarenhas

**Ms. Elizabeth  
Mascarenhas**

Good evening, Respected Chairman, Board Members and my fellow members. I am Elizabeth Mascarenhas speaking from Mumbai. I thank the company secretary and her team for considering my request and giving me this platform to speak. I thank link intime for sharing the link.

As this is the EGM for only one particular agenda to raise capital through particular named people which are already given in the notice (Preferential Issue of Equity shares). I am very happy that this money will come immediately but would like to suggest that in future you give something as a Rights (Issue shares) to the Shareholders because this Company is really a treasure in chemicals, Specialty chemicals and now also going into batteries. So, we small shareholders will also get that benefit.

Now as Phase I and Phase II is fully commissioned, what is the percentage of its capacity utilisation? What is the total number of employees in this plant? Are all working in the plant from home or are some working from home and controlling the automation?

I support all the resolutions. I wish the Company all the best and I hope 2022 will be very bright and we will stand out as a great chemical and battery company. Thank you for your patient hearing and I will our team the very best.

**Dr. Harin Kanani**

Thank you, Mr. Yusuf, Ms. Lekha and Ms. Elizabeth for your questions. I will answer the question in the order it was received.

The first question from Mr. Yusuf was about how many staff we have in Dahej plant. The number of staff working from Dahej plant is increasing every day/every month. At present on the last count, we had more than 100 employees already appointed at the Dahej site and as the production ramps up more and more team members are joining.

With reference to your second question whether any of our staff was affected due to Covid. As shared in our earlier meeting, both in phase I and phase II, we had several employees who did contract Covid but they all were immediately quarantined and were given the necessary treatment in the hospital or at home. Since all the employees and their families are also covered by insurance provided by the Company, most of the cost of the treatment was borne by the insurance.

In reference to the question asked by Ms. Lekha Shah - Is the staff working from home or from office?

All our staff at plants/the essential staff, always had to work from the factory which we really appreciate, that even during the tough time they were working at the plant. When it comes to our office staff and the non-essential staff in our factories, during the lockdown periods there was staggering and only some

people were working from office; most of the people were working from home. However, with situation improving, number of cases going down and lockdown restrictions reducing, almost all the employees are currently working from office except some employees who have specific medical requirements and to whom doctors have advised to continue working from home. So, most of the employees are working from office. Of course, with the threat of Omicron and the number of cases increasing, we will keep monitoring the situation and keep taking decisions based on government guidelines and our internal safety norms.

In reference to question raised by Ms. Elizabeth, we will definitely take your suggestion on the Rights Issue. We thank all the shareholders for their faith and interest in Neogen and whenever in future we have an opportunity, this option will be discussed in the Board and if found suitable we will definitely consider this option.

As regards to your question about capacity utilisation, the organic plants at Mahape and Karakhadi, which are our existing plants, are working at 80% plus utilisation levels which is considered as the peak capacity; and our inorganic facilities are working somewhere close to 60%-65% utilisation levels at Mahape; and in Dahej the utilisation levels are between 40%-60% since this is a new plant and the capacities as well as the customer approvals are ramping up.

Also, our reply to your question relating to work from home is as answered to an earlier speaker Ms. Lekha. That currently all the staff are working from office and factories except for few exceptions who have been advised to work from home by their doctors.

So, once again I would like to thank all of you for your very enthusiastic participation. I am glad to know that Unnati's team and Link Intime has provided you the necessary facilities and we have taken note of that and we also thank you for your enthusiastic participation in our AGM and EGM proceedings.

**Ms. Unnati Kanani**

Thank you, sir. On our question- answer dashboard we have received two questions from our Shareholders. First is from Mr. Satish Jayantilal Shah and he is asking about the Company's Dividend Policy and the second is from Mr. Bipin Nagindas Jobanputra and he is writing "Dear sir, I am very happy with company performance. I am also happy with company secretary Unnati Kanani madam. I request management to make arrangement for plant visit for shareholders of the company. I wanted to speak as speaker of the company but I could not register my name for the same at last moment; but not the least, I give my support to all resolutions of the company and wishes to the management for the future of the Company."

**Dr. Harin Kanani**

Thank you for your comments. In reference to your question about our Dividend Policy, Neogen from its inception has been giving dividends every year. Currently our dividend is roughly between 10%-20% of the profit after tax. However, since the company is growing very fast, every year our Board will be looking at the



Company's performance, Company's financial needs and it will be taking its decision. As a normal policy we aim to distribute dividend each year and its usually between 10%-20% of the Profit after tax of the Company.

As for the request of Mr. Yusuf as well as Mr. Bipin, once our Dahej plant is further stabilised, the Covid situation improves and the other arrangements as well as the full infrastructure is ready, we will plan for investor visits and communicate accordingly.

**Ms. Unnati Kanani** Thank you, sir. Hope all the questions are answered to the satisfaction of our shareholders. Still if any shareholder has any further questions or needs more information, please write to me at [investor@neogenchem.com](mailto:investor@neogenchem.com) and we will answer the same.

**Unnati Kanani** I now request Members who have not cast their votes by remote e-voting, to cast their vote by E-voting now & within next 30 minutes after the meeting.

Mr. Devendra Deshpande, Practising Company Secretary, Pune, has been appointed as the Scrutinizer for conducting the E-voting process and I request him to submit his consolidated report on e-voting once finalized.

I further announce that the consolidated result of remote e-voting and E-voting during the course of this EGM will be declared and simultaneously put on the Company's website within 48 hours of the conclusion of this EGM and the same will also be available on the website of BSE, NSE and the website of our RTA.

The resolutions, as set forth in the Notice of EGM, shall be deemed to be passed today subject to receipt of requisite number of votes.

Over to you Dr. Harin Kanani, Managing Director.

**Dr. Harin Kanani** I would like to thank our customers, bankers, employees and colleagues at Neogen and all the stakeholders for their loyalty and constant support. My best wishes to all of you. Stay safe, stay well.

I extend a hearty vote of thanks to Chair on behalf of all the shareholders and our Board members. Wish you all a very happy 2022.

**Ms. Unnati Kanani** I request Mr. Haridas Kanani, Chairman and Managing Director to give his concluding remark.

**Mr. Haridas Kanani** As all the agenda items of the Notice dated December 8, 2021 are transacted. I now declare this meeting as concluded.

My gratitude to you all for co-operating with us in smooth conduct of the meeting. Stay Safe and Healthy. Wish you all a very happy 2022



**Ms. Unnati Kanani** Thank you, Chairman.

Dear Shareholders, this concludes our meeting and the time is now 4.38 p.m. You may all log off.

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*The transcript has been edited for clarity and it may contain transcription errors. Although an effort has been made to ensure high level of accuracy, the Company takes no responsibility of such errors.*