

## Clean Science and Technology Limited

### 20<sup>th</sup> Annual General Meeting – 10<sup>th</sup> August, 2023 at 3.00 P.M. IST

- **Moderator:**
- Dear shareholders, good afternoon and a very warm welcome to the 20<sup>th</sup> Annual General Meeting of Clean Science and Technology Limited through video conference or other audio-visual means. As a reminder for smooth conduct of the meeting the members will be in mute mode and audio and video options will be made available when they speak at the AGM as per their pre-registration. Please note that as per the requirements the proceedings of the Annual General Meeting will be recorded and will be made available on the website of the company. I now hand over the proceedings to Mr. Pradeep Rathi, Chairman of Clean Science and Technology Limited. Over to you, sir.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you. The recording has started?
- **Moderator:**
- Yes, sir, please continue.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Good afternoon, ladies and gentlemen, I, Pradeep Rathi, Chairman of Clean Science and Technology Limited and the Chairman of Risk Management Committee, participating in this 20<sup>th</sup> Annual General Meeting of the company from my residence at Pune welcome you all for the AGM which is being held through video conferencing facility.
- In terms of the circulars issued by the Ministry of Corporate Affairs and SEBI, this AGM today has been convened through video conferencing or other audio-visual means. Let me announce that since this meeting is on a virtual platform there are no proxies who are allowed to participate in this meeting. As the requisite quorum is present, I call the 20<sup>th</sup> Annual General Meeting to order. For the benefit of our members, I request the board of directors to please introduce themselves and the location from where they are participating.
- First of all, Shri Ashokji Boob.
- **Mr. Ashok Boob – Managing Director, Clean Science and Technology Limited:**
- I am Ashok Boob, Managing Director of the company and participating from Clean Science and Technology Limited office, Magarpatta City, Pune.

- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Siddharth Sikchi. Siddharth, are you there? Okay, he may be having connectivity problem, he will join later on.
- Mr. Krishnakumarji Boob.
- **Mr. Krishnakumar Boob, Clean Science and Technology Limited:**
- I am Krishnakumar Boob, Wholetime Director and I am participating from Clean Science and Technology Limited office, Magarpatta City, Pune.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you.
- Sanjayji Kothari.
- **Mr. Sanjay Kothari – Non-Executive Director, Clean Science and Technology Limited:**
- I am Sanjay Kothari attending this from my office in Mumbai. Thank you.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you.
- Kevalji Doshi, please unmute yourself.
- **Mr. Keval Doshi – Independent Director, Clean Science and Technology Limited:**
- I am Keval Doshi, Independent Director and Chairman of the Audit Committee. I am participating in this meeting from my office in Mumbai.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you.
- Professor Yadav.
- **Mr. Professor Ganapati Yadav – Independent Director, Clean Science and Technology Limited:**
- I am Professor Ganapati Yadav, I am an Independent Director, and I am attending this meeting from my office in ICT Mumbai. I am also the Chairman of the CSR Committee.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- And also the Chairman of Nomination and Remuneration Committee.
- **Mr. Professor Ganapati Yadav – Independent Director, Clean Science and Technology Limited:**
- Of course, I am also the Chairman of Nomination and Remuneration Committee.

- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you, Professor.
- Has Siddharth joined? Okay, he may be having connectivity issue.
- Mrs. Dubashi, an Independent Director and Chairperson of Stakeholders Relationship Committee could not attend her meeting due to pre-occupation. In her absence Shri Ashokji Boob will answer shareholders' queries.
- Apart from the directors, Mr. Sanjay Parnekar, CFO, Mr. Pratik Bora, Vice President Corporate Finance, and Mr. Mahesh Kulkarni, Company Secretary are participating in the meeting through VC.
- Also present are Mr. Rahim Merchant, partner of M/s. BSR & Company, LLP, Chartered Accountants who are our statutory auditors. Mr. Jayavant Bhave, Proprietor of M/s J.B. Bhave & Associates, Company Secretaries, Secretarial Auditors and Scrutinizers for this meeting and for the voting process from their respective offices.
- Ladies and gentlemen, a very warm and hearty welcome to each one of you to the 20<sup>th</sup> AGM of Clean Science and Technology Limited. I am happy to address you and virtually meet all our shareholders today. The past financial year was marked by formidable circumstances including inflationary environment, geopolitical tensions and broken supply chain. Amidst these trying times some of the noteworthy achievements of your company are:
  - \* Company recorded highest ever revenue and profitability during any financial year.
  - \* Company incurred highest ever capex in a fiscal year while importantly balance sheet continues to be debt free.
  - \* Company commercialized production of Hindered Amine Light Stabilizers (HALS) series.
  - \* Company conducted Bhoomipujan at its newly acquired greenfield facility and commenced construction activity.
  - \* CRISIL upgraded the company's long-term rating to CRISIL AA- stable while reaffirming the short term rating.
  - \* Company has delivered on its commitment since its listing in July 2021 within the timelines and cost. Further details of the same are highlighted in the annual report.
- The above performance when viewed in the backdrop of precarious global macroenvironment underscores the unwavering commitment in making the business resilient through R&D, innovative engineering, product diversification and prudent capital allocation.
- Your company has in place the right strategic direction, management team and cost discipline to deliver for all its stakeholders.

- **Economy:**
- India’s economy has made significant strides in recent years positioning itself as a major player on the global economic stage. In a significant development India has surpassed United Kingdom to become the fifth largest economy in the world based on nominal GDP USD. The economy has stood strong through 2022 largely due to the significant reforms and enterprising initiatives implemented by the government over the past 5 to 6 years.
- The government has been working to encourage and expand manufacturing sector, taking advantage of the global trend towards diversification of supply chains. Corporate tax reductions and fiscal incentives through various schemes like PLI, (Production Linked Incentive) have attracted investments in a wide range of industries. These efforts along with macroeconomic factors such as supply chain gaps and rising trade conflicts are expected to help the Indian economy reach its target of USD 5 trillion in nominal GDP up from an estimated USD 3.7 trillion this year. In terms of growth, India is better positioned and remains a bright spot compared to other countries thanks to the supportive government policies and sound macroeconomic fundamentals.
- **Industry:**
- The Indian specialty chemical market is expanding rapidly and is estimated to attain a value of USD 64 billion by 2025. Currently, it constitutes around 22% of the total chemical market in India. Several factors are contributing to the growth of Indian specialty chemicals market including a significant demand from various end user industries such as textiles, food automobiles, construction, clothing and personal cares among others.
- Moreover, increasing urbanization and growth in the number of middle income households in the country, and increasing demand for end user segments are further fuelling specialty chemicals demand in India. The Indian specialty chemicals industry has been growing over the years. Over the last decade there has been a significant increase in revenue and profit for specialty chemical companies. There are a host of factors driving the India edge. Growing competitiveness of Indian companies vis-à-vis producers from other companies has played an important role in tilting the balance in India’s favour. However, the industry is also susceptible to macroeconomic factors such as fluctuating energy prizes, rising inflation and geopolitical uncertainties. This may lead to instability in the global economy and can adversely impact demand scenario.
- **Performance highlights:**
- On account of strong growth in export markets, increased share with customers, better realization and launch of new products, the company registered its highest ever revenue and profit after tax. Total revenues grew up 37% reaching 936 crores the highest ever recorded by a company in a fiscal year. Our revenue mix comprised 72% exports and 28% domestic.

- Our EBITDA showed a growth of 34% to reach 403 crores compared to last year. Your company continues to remain debt free with strong return ratios.
- **Dividend:**
- In the light of the company's robust performance the company paid an interim dividend of Rs. 2/- (i.e. 200%) per share in February 2023 and has now recommended to the shareholders a final dividend of Rs. 3/- (i.e. 300%) per share on face value of Re. 1/- per share for the financial year 2022-23. Final dividend if approved at the AGM, the total dividend would be 17.5% of the profit after tax
- **Environment, Social and Governance – ESG:**
- Rapidly escalating climate changing events and other factors have led to a scenario where businesses must go beyond generating profits to ensure that the growth is also environmentally sustainable. The company's focus on integrating Innovation and Growth sustainability is aligned with its mission and values and reflects its commitment to environmental stewardship.
- As we continue working towards a sustainable future, we consistently undertake many initiatives to improve safe manufacturing of chemicals. Our focus has always been on green chemistry with an aim to develop efficient technologies. This approach has helped in preventing waste formation and effluent generation instead of devising methods to cleaning it up. Our unique innovative method of synthesis supported by strong plant engineering capabilities have enabled us to derive minimal by-products effluents and avoid usage of hazardous raw materials. This has helped us increase efficiency and yield in our processes. Currently, all our facilities are zero liquid discharge facilities. For our efforts towards ensuring sustainability in our operations we have been awarded the Greenco, Ecovadis and TFS (Together For Sustainability) certifications. Currently, we are working on the global chemical industries voluntary initiative called Responsible Care to drive continuous improvement and achieve excellence in environmental, health and safety performance.
- We invested in renewable energy primarily solar power over the past few years. As a result, renewable energy now contributes 50% of our power requirement which is one of the highest in the industry.
- Additionally, as a responsible organization we actively engage in community development as an opportunity to serve the society and embrace inclusive growth. Promoting health care, education and environmental sustainability are our key focus areas aimed at empowering and transforming society.
- As a responsible corporate citizen, we are committed and continue to follow industry best corporate governance practices and maintain the highest ethical standards while conducting our business.
- **The Board:**
- I would like to extend my sincere thanks to all the executive directors for their exceptional performance during the year. I would also like to thank other board

members for their valuable contribution. Their presence in the company has been an added advantage to us from a strategic viewpoint and more so from the perspective of value creation in the long term.

- **Acknowledgement:**
- We look forward to continuing this exciting journey by creating long term value for all our stakeholders by building a better sustainable tomorrow.
- With sincere gratitude I would like to extend a very hearty vote of thanks for the support of our business partners and government agencies, commitment and dedication of employees and trust of our customers. Most importantly I would like to sincerely thank all the shareholders for your trust and confidence.
- Thank you.
- I now request Mr. Mahesh Kulkarni, Company Secretary, to inform you the general guidance and protocol to be followed by you all in this meeting by video-conferencing for the smooth conduct of this meeting. Mahesh, please.
- **Mr. Mahesh Kulkarni – Company Secretary, Clean Science and Technology Limited:**
- Thank you, sir.
- Good afternoon, ladies and gentlemen, I would like to take you through certain points regarding participation in this meeting. The facility of joining the AGM through VC or other audio-visual means is being made available for the members on first come first served basis. All members who have joined this meeting are by default placed on mute mode by the host to avoid any disturbance arising from background noise and ensure smooth and seamless conduct of the meeting.
- Once the question answer starts the names of the members who have registered as speaker will be announced one by one. The concerned speaker will thereafter be unmuted by the host to start speaking. Shareholders are requested to click the video-on button. If the speaker is not able to join through video for any reason the speaker can speak through the audio mode. While speaking the speaker is requested to use headphones so that he or she is clearly audible. Also, he or she is requested to minimize any ambient noise and ensure that wi-fi is not connected to any other device and no other background applications are running so as to achieve maximum bandwidth and there is proper lighting and good video and audio experience. In case there is any connectivity issue at the speaker's end we would request the next speaker to join. Once the connectivity is restored, the speaker shareholder will be again asked to speak once the other shareholders who have registered complete their turn. During the AGM if any member faces any technical issue, he or she may contact the helpline number 022-48867000 or 022-24997000 or 1800225533 which has also been mentioned in the notice of the AGM.
- The Company has received 7 authorizations letters or resolutions from institutions or corporate shareholders representing 41,68,378 shares of Re.1 each that is 3.92% of the paid up equity share capital of the company authorizing their officials to attend the AGM on its behalf and vote through remote e-voting process.

- The register of Directors and key managerial personnel and their shareholding, the register of contracts and arrangements in which directors are interested, ESOP certificates received from secretarial auditors, and relevant documents referred to in the AGM notice and its explanatory statements are available electronically for inspection by the members on the company's website.
- Pursuant to Section 108 of the Companies Act, 2013, read with Companies Management and Administration Rules 2014, and in compliance of Regulation 44 of SEBI Listings Regulations, the company has provided the facility of remote e-voting as per the timelines mentioned in the notice. The remote e-voting commenced on Saturday, 5<sup>th</sup> August 2023 from 9.00 am IST and concluded on Wednesday 9<sup>th</sup> August, 2023 at 5.00 pm IST. Members attending the AGM and who have not voted using remote e-voting platform shall be able to cast their votes after the end of discussion as announced by the Chairman.
- Thank you very much.
- Now may I request Chairman to take forward from this point.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Thank you, Mahesh.
- The AGM notice along with annual report for the financial year ended March 31, 2023 was sent to the members at their registered email addresses on 13<sup>th</sup> July, 2023.
- Since the notice of the AGM was circulated to all members I take the notice as read.
- There are no qualifications, adverse observations or comments or other remarks made by the statutory auditors, secretarial auditors on the financial statements of the company which have any material adverse effect on the functioning of the company. The Directors' Report, Management Discussion and Analysis Report and Business Responsibility and Sustainability Report therein summarizes the financial highlights significant business developments, social and sustainable initiatives undertaken by the company during the year 2022-23. Whereas the corporate governance report highlights the governance standards followed by the company. With the permission of the members, I take the auditors' report, directors' report along with annexures thereto, management discussion and analysis report and business sustainability report as read.
- Since all resolutions are put to vote through remote e-voting process there will be no proposing and seconding of resolutions.
- Now I request the shareholders who have given their names to speak at the AGM to express their views and ask questions and queries. As we have got 7 speakers I would request each to speak for not more than 3 minutes.
- All the questions will be asked by members will be responded by Shri Ashokji Boob, Managing Director or Shri Siddharthji Sikchi, Wholetime Director, after all the speaker shareholders have completed expressing their views or asking their queries. I request the host to unmute the speakers one by one.

- **Moderator:**
- Thank you so much, sir.
- We are now ready to take questions from the registered speaker shareholders and proceeding with the list, the first speaker we have is Mr. Gulshan Chawla. Mr. Gulshan? Mr. Gulshan, you have been unmuted, can we have your video turned on for the question please. Mr. Gulshan, we can see you on the screen and the name has popped up. You are unmuted. Mr. Gulshan, is it possible to proceed with your question?
- **Mr. Gulshan Chawla – Shareholder:**
- Yeah, are you able to listen to me?
- **Moderator:**
- Yes, sir, your voice is audible.
- **Mr. Gulshan Chawla – Shareholder:**
- First of all, I congratulate you all on this AGM and Mr. Rathi spoke about the organization which of course, everything is a good thing, good scenario as far as we shareholders are concerned, you have done the highest capex, highest revenue, highest profit, everything in all. But my simple question is when everything is happening good why shareholders are losing out. Are you able to listen to me?
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- We heard you.
- **Mr. Gulshan Chawla – Shareholder:**
- Right, Mr. Rathi.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Can we go to the next question?
- **Moderator:**
- Sure, sir, thank you so much. So this was Mr. Gulshan. Going ahead with our next registered speaker shareholder, we have with us Mr. Jaydip Bakshi and we would request all the speaker shareholders to please turn on their video if possible. Mr. Jaydip Bakshi
- **Mr. Jaydip Bakshi – Shareholder:**
- Very good afternoon, Chairman, MD, CFO and board of directors myself Jaydip Bakshi connecting from the city of Kolkata. Thanks to Mr. Mahesh Kulkarni for giving me an opportunity to express my view and presenting a detailed annual report and maintaining cordial relations with the shareholders. Sir, your initial speech explained our company's position and also our future prospects. And congrats once again for



the revenue growth up by 37% and PAT 33% on standalone, and thanks for the dividend you have passed on till the difficult times which every industry is passing.

- So what is the future target for revenue and profit? How do we think of this? And geography wise revenue earned has been well explained in page 5 and milestone journey also well depicted on page 6. Sir, what are our thoughts for facing challenges from China's market and our plans for import substitution for domestic market in tune with the Government of India's initiative of Make in India. Sir, our combined capacity production is 44,000 MTTA. Are there any expansion plans for more production? And what are the safety standards we have as we are using the hazardous chemicals? Further woman Empowerment program are there to increase our woman workforce.
- And R&D expenditure for new environment friendly products and improve our product ranking. Sir, any new technology upgradation and tie ups are in the pipeline? Sir, our latest search and skill development program for better productivity, can you highlight on this and utilization of our reserves for future growth of our company. Inventory of the finished goods is high. Kindly throw some light on this. And disposal of hazardous waste on page 140, kindly also share some information on this. Sir, our renewable energy installed is 17.4 megawatt, contributing 50% of our power requirement. Any plans to further savings or reduce the electric consumptions which is mentioned in page 139. The CSR activities are better as good as always. We are spending 51.4 million, the return to the society has been great and building better life for the community.
- Waste recycling and rainwater harvesting program has always been good. And congrats once again for the awards which we have received. It shows the skills and the workforce development by all involved in our day to day activities. Nothing to add more. I've supported all the resolutions. And hope sir under your leadership and vision, our company will come out with much better and with green chemistry and reward the shareholders handsomely in the coming years. All stay safe. And if possible, if you arrange a factory visit, kindly give us an intimation and Happy Independence Day to all present in today's video conference. Thank you sir.
- **Moderator:**
- Thank you so much. So this was Mr. Jaydip Bakshi. Going ahead with our next registered speaker shareholder. We have with us Mr. Santosh Saraf.
- **Mr. Santosh Saraf – Shareholder:**
- Respected Chairman Sir, Board of Directors, Executives and fellow shareholder brothers and sisters present today at the video conferencing, I am Santosh Kumar Saraf from Calcutta. My *namaskar* to all of you. I hope all of you are in good health. I would like to thank the management team, sir. Thanks to you too for giving us a dividend of 500%. I would also like to thank those workers, who are not here at the meeting but in the factory working. I would like to express my gratitude towards those workers. It is due to their hard work that our company could provide us with good results. I humbly request them to continue working the same way, and that we will also get dividends as a result of good returns.

- It is your hard work the company is moving forward. And you give good advice to the management and make strong rules. Just like Mr. Bakshi asked, have you introduced any new products in the market? How many new clients have you added this year? Please do share the figures. And regarding the renewable energy, have you installed solar panels or set up windmills in our factories for the power required to run those factories? If so, then it is fine. If not, I would request you to set up solar panels on the roof of our factories. It would be beneficial for us. We can take advantage of the sun and the wind in those areas.
- Lastly, I would like to say that the number of women workers in our work force is too low, it is 8%. You might say that in the chemical industries, the number of women is generally low. But nowadays, what I understand is women are experts in all rounds of work. And they too have to come forward to participate in 'Atma Nirbhar Bharat'. We have to empower more and more women. When you empower them, the country grows, the society is empowered and the house also .
- I don't want to take more of your time. I would also like to thank our secretary Mr. Mahesh ji. He called me about 3-4 times to check on if I would join the meeting. He is a good human being. He asked me if I had any queries. I didn't have any special query at that time hence I am not asking any more questions. So I would like to reiterate that he is a good human being and he works really hard. The root cause for that is, Rathi sir you are a good person and so your staff is also really good. This is how it usually is, if the one on the top is really good, the workers below that person will also be good.
- Lastly sir, VC meeting is a really good option. Our fellow shareholders and Directors are joining from different-different places. Because of the VC facility, they are able to join us from where we are. So my request to you is, in the future if you are planning for a physical meeting, set aside some 15-20 minutes for VC meeting. That way shareholders like me and our Directors those who cannot come to the meeting centre, can join from their houses. Moreover, the expenses are less for VC meeting in comparison to physical meeting. The travel cost and travel risk is reduced. Without taking much of your time, I would like to wish all the Directors, executives and the workers the best of 2023. I pray to God that may the year 2023-2024 be healthy, wealthy and prosperous for all of you. The next year when you invite us for the AGM, hope to meet with good results of the company. *Namaskar.*
- **Moderator:**
- Thank you so much, sir. So, this was Mr. Santosh Saraf. Proceeding with the next registered speaker shareholder, we were supposed to have Mr. Shreyas Mokshi with us. But unfortunately he couldn't join us. So, going ahead with the list we have Ms. Lekha Shah.
- **Ms. Lekha Shah – Shareholder:**
- Respected Chairman Sir, Board of Directors and my fellow members good afternoon to all of you. Myself Lekha Shah from Mumbai. First of all, I'm very much thankful to our Company Secretary Kulkarni ji for sending the AGM notice well in time which is full of knowledge, facts and figures in place. Thank you Chairman Sir for explaining us

well about the company. Congratulations for excellent work, sir. I pray to God that he always shower his blessing upon you. Chairman Sir, I would like to thank all the person of company for receiving awards and recognition during the year 2022 and 2023. And also I am glad the company is doing very well in the field of CSR activities. Chairman Sir, I would like appreciate our company secretary for his effort in making things so much easier for us to understand through our annual report. Still, I would like ask two questions for my knowledge.

- My first question is, what is our CapEx plan in our R&D and manufacturing facilities? My second question is, our company only Indian producer of DCC products. What is our market share in the domestic and international market? Chairman Sir, I hope the company will continue video conference meeting in future. So, I strongly and wholeheartedly support all the resolutions for today's meeting and my best wishes always our company and its prosperity. Thank you, sir.

- **Moderator:**

- Thank you so much. So this was Ms. Lekha Shah. Going ahead with the next speaker shareholder, we have with us Mr. Ankur Chanda.

- **Mr Ankur Chanda – Shareholder:**

- Good afternoon to everyone. Sir, I just wanted to say that our corporate governance is too good. Hence there are no difficulties. I was looking at our net income which has gone up 25% this year. This is a good sign for us. We are debt free hence no problems there. I wanted to ask few questions. One of the questions was asked by Ms. Lekha Shah, about the domestic and export market – the market share. I have two more questions.
- What is the impact on business due to geopolitical issue? And second one is, does the company have any plan for new acquisition? These are the two questions that I had. The first shareholder did say that there is no rise in price of the shares, I hope I understood that right. Sir, I just wanted to say that it is based on the movement in the market. That is not dependent on the company. The company just issues bonus. The market give us different returns.
- With that, I would like to thank all of you.

- **Moderator:**

- Thank you so much, sir. So, proceeding with the next and the final speaker shareholder on the list, we have with us Mr. Gautam Nandy.

- **Mr. Gautam Nandy – Shareholder:**

- Good afternoon respected Chairman, Board of Directors and my online fellow shareholders. Myself Gautam Nandi from Kolkata, the city of joy, equity shareholder of your company. Sir firstly, I'd like to thank your secretarial department for sending me annual report along with notice and necessary joining link through email well in advance. So, special thanks to our respected company secretary Mr. Mahesh

Kulkarni - very sober, well behaved and a very dynamic person, and his whole team of your secretarial department for rendering very good services to our minority shareholders. Sir, you are organizing your annual general meeting through video conference and I find it a grand success. Sir, I am very pleased to receive your wonderful annual report which is very attractive and also very informative. Sir, you have given a very beautiful description about the accounts and the performance of the company. There is no need to ask any questions.

- Sir, I find excellent performance. As per Chairman's speech, exceptional performance in every segment. Yes, we got it even in this challenging year. Now the situation is still and still very tough. COVID-19, geopolitical situation, Russia-Ukraine war, the effects of all this are still prevailing. Every company is suffering. Still you are paying very-very good dividend to our minority shareholders, including the interim dividend. We are very happy sir. Sir, your CSR is also very good. So please keep it up. Sir, I like to know what is your roadmap for the next 3-4 years. Sir, is there any expansion program in near future? Please let us know. Sir, may we expect bonus share in this year or the next year? Please tell us. We are expecting bonus share from your end sir. One request; if situation permits, please arrange a factory visit in this coming winter season, at least for our speaker shareholders. We are eagerly waiting for the visit, sir. Considering those speaker shareholders plan accordingly, including to and fro tickets. Please consider, sir.
- Another thing, sir. You have provided speaker serial number with your link. This is very-very important. Thank you very much, sir. This is very important for our speaker shareholders you have provided us. Thank you, sir. I have requested for the hard copy of annual report which is due till date. If possible, please send it immediately at your earliest. Sir, I am very proud to be a shareholder of your company. I have full trust with our strong management, sir, like you. And so, I, along with my family wholeheartedly support all your resolutions which we have already casted through our e-voting. Sir, looking forward with a positive outlook towards our company with higher profit margin, handsome dividend, 1:1 bonus and return. May God bless you, sir. Stay safe, stay healthy. Thank you very much. Signing off. Mr. Gautam Nandy from Kolkata. Thank you.
- **Moderator:**
- Thank you so much. So, this brings us to the end of all the questions from all the registered speaker shareholders. Now, we would request the Chairman sir and Board members to take over for the answers. Thank you so much.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- May I request Ashok Boob ji and Siddharth Sikchi to answer the questions please?
- **Mr. Siddharth Sikchi – Promoter & ED, Clean Science and Technology Limited:**
- So, I'll take the questions one by one. The first question was asked by speaker number one, Mr. Gulshan Chawla pertaining to the stock prices. So, the answer to that question is that the share prices are based on market conditions and which we have no control over. But we can only confirm that we remain committed to the

business performance and increase our product portfolio through significant capital investments. Thank you.

- For speaker number two, Mr. Jaydip Bakshi. There were a couple of questions. I will try and answer most of them. The first question was about the company has an existing manufacturing capacity of 44,000 ton and is there any further plan for expansion. So yes, company is not looking for adding any meaningful capacity in our existing listed parent company which is Clean Science and Technology because of the space constraint. However, company through its wholly owned subsidiary Clean Fino-Chem Limited is undertaking significant CapEx towards our 34 acre of greenfield unit which was acquired last year. Under phase one of the ongoing CapEx at Clean Fino-Chem Limited, the project for products under HALS series are in progress. The next question was regarding the safety standard the company follows while using hazardous chemicals. Company follows a well-documented SOPs for handling hazardous chemicals, and employees are imparted regular training on health and safety. Further, employees use all sorts of PPE - personal protective equipments like pressure suits, hand gloves, eye protection glasses, special type of shoes while handling the hazardous chemicals. Automation interlocks are in place to avoid any spillage, contamination, overflows and every quarter company presents safety statistics to the Board. Company also undertakes safety audit every quarter.
- The next question was regarding target revenue and profit for FY2023-2024. As a policy, we do not make any quantitative forward looking statements. Led by new product development and sizable CapEx, company remains upbeat about the outlook. A question was asked to share the details of R&D expenditure. So total expenditure in R&D was Rs.62.7 million. Over 50% of that went to capital expenditure which has almost doubled as compared to FY2021-2022. Next question was, what is the plan of the company in utilizing the reserves? So number one is, funding ongoing projects, undertake sustainable investments like captive solar plants and third fund the dividend payout to the shareholders. Next was, company has high inventory of finished goods and is there any strategy behind the same keeping the finished goods at high level. So typically company carries less than 30 days of finished goods inventory. The overall inventory value is higher because of the WIP stock which is primarily captive consumption stock. Next question was, any plan for introduction of new value added products? Company has already launched couple of products under HALS series during FY23. More new products will be launched under the same series during the coming few quarters. Next was disposal of hazardous waste, page 140 of annual report. The company has laid down guidelines on waste management for all its units covering both hazardous as well as non-hazardous waste. The quantity of solid waste and hazardous waste generated are being disposed of strictly in adherence to the permissible laws. The generated solid waste are sent to the authorized hazardous waste disposal facility for waste management. The waste generated is within permissible limits given by central or state pollution bodies, and most of the solid waste generated across the company is recycled and reused. Renewable energy installed 50%. So 50% of our power requirement is being generated through renewable sources.
- Next question was from Mr. Santosh Saraf. On solar panel, yes, as we mentioned that 50% of our power requirement is through general through renewable resources.

And female employee of 8%, yes, the goal is to increase the female employee in the organization and we too believe that nowadays female are as capable as the male employees.

- Next question was from Mrs. Lekha Shah. What are the CapEx plan in R&D and manufacturing facility? So, company plans to undertake total CapEx of Rs. 180 crore during this financial year which majorly includes investments in the subsidiary company. The next question was market share of DCC. So, majority of the DCC is sold in domestic market to pharma companies. However, we do not want to comment on specific product revenue or market share. Next was how many products are in the pipeline? So R&D is a continuous process and few chemistries are in pipeline. Once successful we shall announce the same.
- Next question was from Mr. Ankur Chanda. What is the market share of our products in domestic and export market? So to the best of our understanding we enjoy largest share globally in MEHQ BHA and 4-MAP while second largest globally in Guaiacol. Impact on business due to geopolitical issues. As our products are functionally critical in nature, geopolitical issues have limited impact on the demand. Considering this, company reported highest ever revenue and profitability last year, despite geopolitical tensions and shutdown in China in Q3. The next question was, does company have any plans for new acquisition. We selectively evaluate acquisition opportunities that are aligned to our business strategy and vision.
- The last question was from Mr. Gautam Nandy from Calcutta. What is the CapEx plan for the next years? Company plans to undertake total CapEx of Rs. 180 crore which majorly is towards our subsidiary company. And, we shall send you a hard copy of the annual report and factory visit on an appropriate date and time, we shall organize the factory visit for all the shareholders. Thank you so much from my side.
- Over to you, Mahesh.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- All the questions have been answered?
- **Mr. Siddharth Sikchi – Promoter & ED, Clean Science and Technology Limited:**
- Yes.
- **Mr. Pradeep Rathi – Chairman, Clean Science and Technology Limited:**
- Now I authorize Mr. Mahesh Kulkarni, Company Secretary to conduct the voting procedure and conclude the meeting. The e-voting facility will remain enabled for the next 30 minutes so the members who have not cast their vote already, can do so. Further, I hereby authorize Mr. Mahesh Kulkarni, Company Secretary, to declare the result of the voting within 48 hours of the conclusion of the AGM and place the result, along with the Scrutinizer's report on the website of the company and the same be submitted to the stock exchanges and uploaded on the NSDL website and website of the company. The resolutions as set forth in the notice shall be deemed to be passed today subject to receipt of requisite number of votes. We are grateful

to all shareholders who have participated in this AGM through video conferencing facility. With your consent, I and other Board members would like to leave the meeting. I wish all the members a very healthy and safe life. Thank you.

- **E-voting.**

**End of Transcript**