



77th Annual General Meeting ('e-AGM')
PI Industries Limited ('PI')
August 27, 2024

- **Moderator:**
- Good morning, ladies and gentlemen. We will now commence the 77th Annual General Meeting of PI Industries Limited. This meeting is being conducted through video conferencing. For the smooth conduct of the meeting, all the lines of the shareholders are on mute mode. The audio and video of the speaker shareholders will be enabled once they're invited to speak at the e-AGM by the Chairperson. The proceedings of the e-AGM are being recorded.
- May I now request Mr. Narayan K Seshadri, Chairperson of the Board, PI Industries Limited, to take the chair and start conducting the e-AGM proceedings. Over to you, Sir.
- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**
- Thank you. Good morning, ladies and gentlemen. On behalf of the Board of Directors, I extend a warm welcome to you all at the 77th Annual General Meeting of your Company, being held through audio-visual means. I'm informed that the quorum required for the meeting is present, therefore, I declare the meeting open.
- Before I turn to the formal agenda of the meeting, permit me to introduce the Directors of your Company and others attending the meeting virtually. We have:
 - Mr. Mayank Singhal, Vice Chairperson & Managing Director
 - Mr. Rajnish Sarna, Joint Managing Director
 - Mr. Arvind Singhal, Non-Executive - Non-Independent Director
 - Mr. Shobinder Duggal, Independent Director & Chairperson of Audit Committee
 - Dr. T S Balganes, Independent Director & Chairperson of the Stakeholders Relationship Committee
 - Ms. Lisa J Brown, Independent Director & Chairperson of Nomination and Remuneration Committee
 - Ms. Pia Singh, Independent Director & Chairperson of Corporate Social Responsibility Committee
- Mr. Rafael Del Rio Donoso, who recently joined as a Non Executive - Non Independent Director, is unable to attend because he is in Chile, where it is currently around 1 or 2 o'clock in the morning. He has sent his apologies for not being able to attend.

- We also have with us:
 - Mr. Sanjay Agarwal, Group Chief Financial Officer who has recently joined
 - Ms. Sonal Ramanand Tiwari, Company Secretary
- I also record the presence of:
 - Mr. Sougata Mukherjee, representing the Statutory Auditor's, M/s Price Waterhouse, Chartered Accountants LLP
 - Mr. Ashish K Friends, Practicing Company Secretary, Scrutinizer
 - Mr. R.S. Bhatia, Practicing Company Secretary, Secretarial Auditor
 - Mr. Mukesh Goyal, representing the Cost Auditor's, M/s KG Goyal & Co.
- I also record that all feasible planning and execution has been done to facilitate electronic participation and voting by the shareholders for this e-AGM. It is further confirmed that, the e-voting will remain accessible throughout the e-AGM and 30 minutes thereafter.
- I will now take up the formal proceedings of the e-AGM. The relevant documents referred in the notice calling the e-AGM, including:
 - a. Register of contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 ('the Act');
 - b. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act; and
 - c. Certificate from Secretarial Auditor of the Company certifying that the Employee Stock Option Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

are accessible for inspection by the shareholders electronically on KFin Technologies Limited ('KFin') website through the duration of the e-AGM proceedings.

- Let me say a few words so far as the performance of the Company itself is concerned. Again, ladies and gentlemen, respected shareholders and members of the Board, it is with great privilege that I welcome you to the Annual General Meeting of PI Industries. I trust you and your families are keeping well and in good health. I thank you for your unwavering support to the Company and its management. Your trust and encouragement continue to motivate us to strive and take your Company to greater heights.
- I begin by emphasizing the Company's comprehensive approach to sustainable innovation and corporate responsibility aimed at shaping a better future for both your Company and the planet. Building upon this foundation, this year's theme 'Collaborating for impactful change' emphasizes our dedication to fostering strategic partnerships that enhance the resilience of our business. The integrated report for the financial year ended March 31, 2024, is with you and I'm sure you would have gleaned through it and, hence, I have departed from the usual customary format of Chairperson's speech. I would, with your permission, like to highlight some of the key achievements and progress over the past year and reiterate points from the report.

– **Financial performance of FY23-24**

I'm proud to share the Company's exceptional performance in FY2023-24. Our core values of Courageous, Curious, Creative and Caring along with our commitment to science and sustainable innovation has driven us to significant achievements. We have seen new product launches, collaborations, acquisitions in pharma and pipeline of possibilities. The Company achieved total revenue of ₹7,666 crores delivering a growth of 18%. Further, your Company achieved a growth of 37% in Profit After Tax, a significant increase in EPS to ₹114 and the total dividend of ₹15 per share including the proposed ₹9 per share for your approval in this e-AGM.

– **Pharma foray**

During the year, as part of its growth strategy to leverage the Company's strength in innovative chemistry, manufacturing capabilities and customer centric approach, we expanded into the pharmaceutical business through acquisitions. With this foray, the Company through its subsidiary has established a foothold in the areas of CRO and CDMO. With a differentiated strategy, we expect to make it another growth engine of the Company in the coming years. We are committed to delivering impactful solutions in the life sciences domain.

– **Agri business**

As we reflect on the challenges and opportunities that have defined the past year, it becomes evident that the Agrochemical sector is at a critical juncture, facing profound global challenges intricately linked to demand dynamics and climate changes. The escalating demand for food production, driven by a rapidly growing global population and evolving dietary preferences, exerts immense pressure on agricultural systems worldwide. Concurrently, climate change exacerbates these challenges, unleashing extreme weather events, altering precipitation patterns, and fueling the proliferation of pests and diseases. These climatic shifts disrupt crop yields and necessitate the adaptation of agricultural practices to mitigate environmental degradation.

– **Way forward**

Our optimism for growth and innovation remains unwavering. We capitalize on our environmentally friendly portfolio and cutting-edge manufacturing facilities to drive progress. Our adaptive strategy responds adeptly to demographic shifts and market dynamics emphasizing the cultivation of a global trusted brand and the nurturing of enduring partnerships. As we address increasing food and nutritional demands, we also cater to a burgeoning population experiencing increased spending on food-related expenditures. This juncture is not merely an opportunity but a commitment to collaborate for impactful change, ensuring a future built responsibly.

At PI, our commitment to climate action and sustainability guides our every endeavor. We recognize the urgent need to transition towards more sustainable agricultural practices, underpinned by a dual focus on meeting regulatory standards and fulfilling consumer preferences for environmentally friendly products. This transition heralds both a challenge and an opportunity for the agrochemical sector, demanding innovative solutions and a collective effort to align with evolving market demands.

Our dedication to sustainability extends across every aspect of our operations, from our manufacturing processes to our supply chain management. By prioritizing sustainability, we not only enhance our efficiency and leadership within the specialty chemicals industry but also contribute to the broader global effort to combat climate change.

As we navigate this transformative journey, we remain resolute in our dedication to driving positive change and shaping a more sustainable future for generations to come. It is imperative that we remain steadfast in our commitment to driving impactful change, particularly in the realm of climate sustainability.

– **ESG and CSR**

I'm proud to share that our ongoing commitment to sustainable business practices has been recognized through our inclusion in the S&P Sustainability Yearbook and our retention of the EcoVadis Gold medal for the third consecutive year. These accolades underscore our unwavering dedication to driving positive change and creating a more sustainable future for all.

Our collective commitment to collaboration has fostered innovative partnerships that transcend boundaries and propel us towards a brighter future. By joining forces with stakeholders from diverse sectors, we continue to amplify our collective strengths and resources, enabling us to tackle complex societal challenges with agility and effectiveness.

Our commitment extends to the communities we serve, where impactful initiatives aim to make a positive difference. We are dedicated to enhancing our workforce's capabilities through partnerships and in-house development programs, fostering a culture of collaborations and continuous learning.

- Finally, acknowledgment. I extend my sincere thanks to our management team, dedicated employees, the Board of Directors, you our shareholders for your efforts and unwavering support. I thank the State and Central government for their support to the Company. With this support we embark on this collective journey towards sustainable and conscientious growth. Thank you.
- Commencement of business. Let me get into the actual business of the e-AGM. Pursuant to Section 145 of the Act, qualifications, observations or comments on financial transactions or matters, which have any adverse effect on the functioning of the Company mentioned in the Auditor's report, is required to be read at the Annual General Meeting and should be open for inspection.
- Since there is no observation, qualification, or comment by the Statutory Auditors and Secretarial Auditor in their report which have any adverse effect on the functioning of the Company, their reports are not required to be read.
- I will now address the business of the meeting. The notice convening this e-AGM contains six business items, which are as follows:

- **Ordinary Resolutions:**

1. To consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the reports of Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs. 6/- per equity share of face value of Re. 1/- each and to declare Final Dividend on equity shares for the financial year ended March 31, 2024.
3. To appoint a Director in place of Mr. Narayan K Seshadri (DIN: 00053563), who retires by rotation and being eligible, offers his candidature for re-appointment.
4. Ratification of remuneration payable to Cost Auditor for the financial year 2024-25
5. Payment of commission to Non-Executive Directors of the Company for a period of next 5 years commencing from financial year 2024-25 within limits specified under Section 197 of the Companies Act, 2013

- **Special Resolution:**

6. Payment of remuneration by way of commission to Mr. Narayan K Seshadri (DIN: 00053563), Non-Executive Non-Independent Chairperson
- In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('SEBI Listing Regulations'), the Company has provided remote e-voting facility to all shareholders for which the voting lines were kept open from 09:00 a.m. (IST), August 23, 2024 till 05:00 p.m. (IST), August 26, 2024.
 - The Company has engaged the services of KFin to facilitate remote e-voting and e-voting during the e-AGM. Mr. Ashish K Friends, Practicing Company Secretary, has been appointed by the Board of Directors of the Company as a Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner. He will submit his consolidated report on votes cast for and against each of the resolutions mentioned in item number 1 to 6 of the Notice to the Chairperson of the Company or any officer of the Company authorized by him in writing, who shall countersign the same and declared the result thereof.
 - As the AGM is being held virtually, the option for physical voting at the e-AGM is not available. However, in addition to the remote e-voting facility, the Company is also providing e-voting facility during the e-AGM. The shareholders attending the meeting through VC/OAVM, and who have not cast their vote through remote e-voting and not debarred from doing so, are eligible to cast their vote through e-voting system during the e-AGM. By clicking on the voting icon displayed on the screen, shareholders will be redirected to KFin's e-voting platform to cast their votes. The e-voting facility will close after 30 minutes from the conclusion of this e-AGM.

- We now open the floor for shareholders who have registered themselves as speaker shareholders to express their views or raise any questions they may have on the agenda items discussed during this meeting. The queries shall be answered after all the allowed speaker shareholders have raised their questions.
- We kindly request shareholders who wish to speak, to be brief in view due to the paucity of available time. Further, if you refer to any specific item in the Annual Report, please indicate the corresponding page number for clarity. Additionally, we urge you not to duplicate any questions that have already been asked by other shareholders to ensure an efficient and productive discussion. Your cooperation is greatly appreciated as we strive to accommodate everyone's participation within the limited time available. I would request the moderator to unmute the speaker shareholders one by one, enabling them to participate in the question-and-answer session in an orderly manner.
- **Moderator:**
- Thank you so much, sir. We will now unmute the shareholders who have registered themselves as speakers during the e-AGM to enable them to express their views or ask their questions. In the interest of time, we request each individual speaker shareholders to limit their questions and views to a maximum of 3 minutes. With this, we now invite our first speaker, Mr. Abhishek Kalra, to speak. Please proceed.
- **Mr. Abhishek Kalra – Shareholder:**
- First of all, I congratulate the management on the 77th Annual General Meeting. Sir, trust all is well with you and your family. In this challenging situation our Company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brands in its respective segment.
- I would like to know from you that how many employees are there in the Company as on date and what are the steps being taken by the management to reduce the other expenses, Legal professional charges and the audit fee? Myself and my team is running a legal firm in the name and style of 7 Wells Associates in Chennai. So, I would request the management to kindly enroll the firm in the empowerment of the Company and we will be glad to extend our services.
- Sir, kindly try to arrange for a plant visit for the investor fraternity. It will be helpful for the investors to know what is happening in the Company and we can also know what is the business that the Company is involved. So, kindly try to arrange the same and also try to give us an appointment to meet you and greet you whenever we come down to Udaipur.
- The Company has a very good corporate governance practice. We follow high corporate governance standards. I do appreciate the management for that. And we are really thankful to the Company secretary and the entire team for calling us well in advance and ensuring that all the speaker shareholders are joining the meeting and making the 77th Annual General meeting a grand success. I have no other words to ask, sir. The Company has a very good corporate governance standards and all our queries have been replied in the Chairman speech itself. So, we are really thankful to the management for that, sir. I would request the management to kindly take care of the hospitality part of the investor

fraternity who have joined the conference. Nothing much to ask sir, I wish the Company and the Board of Directors, a great success and prosperity in the coming future.

- One more request, sir. Kindly try to consider hybrid AGM in the years to come, because most of the senior citizens are not able to join because of the digital challenges in this virtual platform. So, if you can consider hybrid AGM in the years to come, more number of shareholders can join the meeting. You can get their valuable points, suggestions and ideas that will be helpful for the management. So, nothing else to ask, sir. Thank you very much and thank you for giving me the opportunity. Hope to see you at the hybrid AGM next year. Thank you very much, sir.

- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**

- Thank you very much.

- **Moderator:**

- Thank you, sir. We now invite our second speaker, Miss Celestine Elizabeth Mascarenhas, with DP ID client ID 12051400000090218, to speak. Ma'am kindly unmute your microphone to speak. We can see you.

- **Ms. Celestine Elizabeth Mascarenhas – Shareholder:**

- Yeah. Okay. Thank you. And am I audible also?

- **Moderator:**

- Yes, ma'am. Loud and clear.

- **Ms. Celestine Elizabeth Mascarenhas – Shareholder:**

- Yeah, okay I go on formal part. Respected Chairman, Mr. Narayan K Seshadri, Mr. Mayank Singhal, other members on the Board, my dear fellow shareholders, I am speaking from Mumbai, Mrs. C. E. Mascarenhas. First of all, I thank the Company Secretary, Ms. Sonal Tiwari and her team for sending me annual report, registering me as a speaker and also for giving me this platform to speak. Thank you so much. Our annual report is very, very beautiful with lots of pictures, also facts and figures and self-explanatory, adhering to all the norms of corporate governance. Our working is very good, PBT, PAT up and a very good dividend of ₹15, and also a very good market capitalization. I am very happy with the working. Congratulations for all the awards and accolades as given on page 186. Good CSR work. Now may I come to my queries?
- First one is, ESG is listed on any dedicated platform, whether domestic or international or both and what is our score?
- And second question is we have strong R&D department. How many employee's average age and what is the total spend on the R&D?
- Number three, Eketsu is a three-way rice herbicide in India. What is the market share and how much margin do we get on this product?

- Number four, we have Claret, AMINOGROW, Kadett, PB Knot and PIILIN. Which among these we get good revenues, good growth and good margins?
- Last but not the least, future roadmap for the next 5 years' CapEx requirement for organic and inorganic growth by acquisitions and which vertical will be the highest growth engine with good margin, considering the challenges which we are facing in the geopolitical issues? So, could you throw some light, or you can answer by email?
- I support all the resolutions. I wish my Company all the best. May it grow from strength to strength. And I wish you all especially very good health, because health is wealth. And thank you so much. I end my speech with this. Now, Mr. Mascarenhas will speak. He's the next speaker.
- **Moderator:**
- Yes. Thank you.
- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**
- Thank you.
- **Mr. Aloysius Mascarenhas – Shareholder:**
- Hello. I'm the next speaker in the queue. Can I proceed, sir?
- **Moderator:**
- Yes, sir. We can hear you.
- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**
- Yes, please go ahead.
- **Moderator:**
- Please proceed.
- **Mr. Aloysius Mascarenhas – Shareholder:**
- Respected Chairman sir, very distinguished members of the Board and my fellow shareholders, good morning to you all. My name is Aloysius Mascarenhas. At the outset, I thank the management, Company secretary and the team for sending me such a good, voluminous, picturesque annual report full of information, facts and figures in place. Our results are good, and our balance sheet adheres to all the parameters required for a good corporate governance. Very good dividend of ₹15. We are moving on the right track. Our management is very good. I am a proud shareholder of this prestigious Company.
- Now, my questions. The presentation by the Chairman was so good, that it has left no questions to be asked. And many questions have been asked by my wife already. I have only one question to ask about the impact of the Union Budget on our Company. And

under the CSR, some percentage has been told for employment i.e., ₹3,000 or something. So, how many people are we employing or going to employ in this regard?

- Rest, I don't want to ask any more questions. So, I end my speech, wishing you personally, all the Board members and more importantly, all the employees, all the very best. I also endorse the previous speaker for plant visit because seeing is believing and it increases the economic value of the Company. With this, sir, thank you very much for patient hearing. Goodbye, good luck and good health. Thank you.

- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**

- Thank you very much.

- **Moderator:**

- Thank you, sir. We now invite Mr. Praveen Kumar to speak. Sir, we have placed you in the meeting again. Kindly unmute your microphone to speak.

- **Mr. Praveen Kumar – Shareholder:**

- Hello, I'm audible sir?

- **Moderator:**

- Yes, sir. Loud and clear. Please proceed.

- **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**

- Yeah.

- **Mr. Praveen Kumar – Shareholder:**

- Very good morning to my respected Chairperson, well decorated, esteemed Board of Directors, my fellow shareholder. Myself, Praveen Kumar, joining this meeting from New Delhi. I have a few observations which I would love to share with the house. But in this financial year, this is our first interaction with the management, so I wish the entire management team, each and every dedicated employee a happy, healthy and prosperous future. Coming down to my observation, sir, I am with the Company for years now and it was always a pleasurable moment for me to listen to you. It was very, very in-depth address to the shareholder, and I am very, very fortunate to be part of such a very, very interesting Company. Under your leadership our Company is working very, very ethnically. I salute your dedication and devotion to bring sustainable growth for a retail investor like me and I wholeheartedly support all the resolution you put on the table today.
- My question to the management is, sir, in our operation, are we using any AI tool to enhance our profitability, restructure our Company in a way so that it would be very, very beneficial in terms of revenue and in terms of growth?
- As far as the CSR activities is concerned, I am very, very delighted that our Company taking huge initiative in this regard. One more thing, which is very, very important for a retail investor like me, the litmus test of the Company is the communication between the

shareholder and the management. In this regard, I love to thank our chief compliance officer, Amrita ji, Sunny Varghese ji, as they are the biggest asset as far as the communication is concerned. So, I am very, very thankful to be part of such a legacy. I'm very, very thankful to giving me this opportunity to share my views and express my feelings. I pray to God that he will bless you, so that you will take our Company to the newer heights in the future. Thank you, sir. Thank you very much.

– **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**

– Thank you.

– **Moderator:**

– Thank you, sir. We have now heard from all the speaker shareholders and Chairman sir; I hand it over back to you to answer to the queries raised by the shareholders. So, over to you.

– **Mr. Narayan K. Seshadri - Chairperson, PI Industries Limited:**

– Okay. Let me quickly begin with saying that the integrated report provides a considerable level of information on various aspects, including items like employee numbers, then the R&D numbers, age analysis, etc. I would greatly appreciate if our shareholders could go through it in greater detail because the kind of effort which has gone in to produce the report and the detailing which has happened, would be extremely insightful for people who want to get into that depth and detail.

– Responding to this AI tool question, we do consider using AI tool in various facets of the business with a view to bring about efficiency, effectiveness, etc., but it is an ongoing journey, nothing once and for all, that will be done. It will continue and as we go along, we will see new areas where we hope to get this more impactful within the organization.

– Impact of Union budget, there is not any direct impact apart from some of the changes in tax laws and other things which could potentially have an impact indirectly. There isn't anything which I would highlight here as such. Insofar as the employment or the internship apprenticeship type of incentives which are being offered, we will evaluate and accordingly look at what the possibilities are.

– Please do bear in mind that the business, the Company is in, we handle especially at our plant, some of the more toxic and very difficult chemistries and therefore, we avoid plant visits by policy because we don't want people walking around in those areas. It has a safety implication. Besides that, we also have many NDAs signed with our customers and as a result, we may not be able to have people in the plant as such.

– If I were to turn to some of the other questions in terms of employee numbers etc., as I said, I would prefer that if the shareholders could go into our annual report or the integrated report, which has all the details which have been sought.

– On the cost reduction issue which was raised, there is a continuous cost management process which we pursue. We also look at all other aspects, whether it is professional fee, legal fee, whatever be it, in a manner where we try to contain costs as we go along. Having

said that, there are certain costs which are more of investment in nature and therefore we will continue to incur them and it is not going to be curtailed as such.

- The details of revenue of products, margins, etc. again are, to the extent possible, disclosed in the annual report and therefore, I would direct the shareholders to take a look at what is stated there and you will get the information insofar as all those items are concerned.
- I think those generally are the questions which have been asked and I have responded to. If there is anything more, we will provide whatever information we can, through email correspondence with the respective shareholders.
- I think we can now move on to the other parts of the meeting. Firstly, I would like to thank the shareholders who have taken interest in the Company's operations and asking such useful questions so that we remain committed to making sure that the stakeholders' relationships are effectively maintained. As I said, if there are any remaining queries from the shareholders, they can write to the investor@piind.com, which will be responded to by the management by email. We have now concluded all the business scheduled for today's meeting. As previously mentioned, the e-voting facility will remain open for the next 30 minutes. Please make sure to cast your votes within the time frame if you haven't already done so. The results of remote e-voting and the e-voting conducted during the meeting will be declared within 2 working days from the conclusion of this meeting, after receipt of the Scrutinizers report. Furthermore, the results shall be made available on the Company's website and will be intimated to the NSE and BSE. Thank you, all our esteemed shareholders and Directors, for being with us at the 77th Annual General Meeting of the Company. I extend my sincere wishes for the well-being, good health and safety of all our esteemed shareholders. With that, I officially declare this meeting as closed.
- **Moderator:**
- Thanks to our chairperson and all the Board members and all our esteemed shareholders for joining the meeting today. Thank you so much.
- ***E-Voting in progress***

END OF TRANSCRIPT