


Oriental Aromatics



**TRANSCRIPT
OF
52ND ANNUAL GENERAL MEETING**

HELD ON 21ST AUGUST, 2024 AT 11:00 AM
THROUGH VIDEO CONFERENCING (VC)/
OTHER AUDIO VISUAL MEANS (OAVM)

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AGM PROCEEDINGS

WELCOME ADDRESS & INTRODUCTION OF BOARD MEMBERS

Company Secretary: Good Morning, Ladies & Gentlemen,

I Kiranpreet Gill, Company Secretary & Compliance Officer, attending the meeting from Mumbai, on behalf of the Board of Directors and entire team of Oriental Aromatics welcome you all to the 52nd Annual General Meeting of the Company, which is being held through Video Conferencing, in compliance with the provisions of the Companies Act, 2013, Listing Regulations and the circulars issued by the Ministry of Corporate Affairs.

Before we proceed further, I would like to introduce the Board members, the Key Managerial Personnel, scrutinizer and Auditors of Oriental Aromatics Limited.

At the outset I would like to introduce our Chairman & Managing Director, **Mr. Dharmil Bodani**.

Mr. Dharmil Bodani has over three decades of rich experience in the fragrance, flavors, and chemical industry. With specialized perfumery training from Grasse, France, his visionary leadership has been pivotal in transforming Oriental Aromatics into a fully integrated player in the F&F industry, driven by research and strategic foresight. He plays a crucial role in developing and executing business strategies, and has been instrumental in shaping the group's overall vision and direction.

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Presently, he is serving as a member of Audit Committee & Stakeholders Relationship Committee of the Board.

I would now like to request our Chairman, Mr. Dharmil Bodani, attending the meeting from Mumbai, to welcome everyone to the 52nd Annual General Meeting of the Company.

Chairman: Good Morning, Ladies & Gentlemen,

I extend a warm welcome to each of you to the 52nd Annual General Meeting of Oriental Aromatics. On behalf of the Board of Directors, I sincerely thank you for your continued trust, encouragement, and support. It is truly a pleasure and an honor to host you today.

I would now request **Shyamal Bodani**, to introduce himself.

Shyamal Bodani: Good Morning, Everyone

I am Shyamal Bodani, the Executive Director of the Company and have joined this meeting from Mumbai.

Company Secretary: Mr. Shyamal Bodani has over 2 decades of rich experience in fragrance, flavors and chemical industry. Mr. Shyamal Bodani plays a pivotal role in strategy formation and implementation. He oversees both domestic and international marketing, sales, export promotion and is actively involved in the Company's financial activities. As head of execution for the entire group, he spearheads project management, ensuring that all projects meet their deadlines.

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Presently he is serving as the Chairman of Corporate Social Responsibility Committee of the Company and is a member of Risk Management Committee.

I would now request **Mr. Satish Ray**, to introduce himself.

Satish Ray: Good Morning, Everyone
I am Satish Ray, Executive Director-Operations of the Company and have joined this meeting from Bareilly.

Company Secretary: Mr. Satish Ray holds a Master's degree in Business Administration and serves as the occupier of the factories of the Company. Having close to three decades of rich experience in factory operations, human resources management, and other fields such as policy formulation and planning, he brings a wealth of knowledge and expertise to his role.

I would now request **Mr. Ranjit Puranik**, to introduce himself.

Ranjit Puranik: Good Morning, Everyone
I am Ranjit Puranik, Independent Director of the Company and have joined this meeting from Mumbai. It is always an honor and pleasure to be a Director at Oriental Aromatics

Company Secretary: Mr. Ranjit Puranik is serving as the Managing Director of Shree Dhootapapeshwar Ltd., involved in manufacturing of Ayurveda healthcare formulations.

He is a Trustee of All India Ayurveda Congress and World Ayurveda Foundation. He also serves as President of Ayurvediya Prasarak Mandal and is Advisor to the Herbal and AYUSH Panel at PHARMEXCIL.

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Presently he is serving as a member of Audit Committee, Stakeholders' Committee and Nomination & Remuneration Committee.

I would now request **Mr. Harshvardhan Piramal**, to introduce himself.

**Harshvardhan:
Piramal** Good Morning, Everyone

This is Harshvardhan Piramal, Independent Director of the Company and I am joining this meeting from my office in Mumbai. It is pleasure to be on Board of Oriental Aromatics.

Company Secretary:Mr. Harshvardhan Piramal, holds an Bachelor of Science (Physics) degree from Kings College London and a MBA (specialising in finance and strategy) from the London Business School and currently serves as Executive Vice-Chairman of Morarjee Textiles Ltd. In August 2001, he was appointed COO - Allied Pharma Businesses at Nicholas Piramal India Limited (now Piramal Enterprises Limited), where he was responsible for the turnaround and robust growth of all divisions. He was in this position till April 2004, when he took up his current position. In addition to business pursuits, he actively participates in tiger conservation efforts and serves as a Trustee of the Conservation Wildlands Trust

He is serving as the Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of Oriental Aromatics.

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I would now request **Mr. Deepak Ramachandra**, to introduce himself

Deepak Ramachandra : Good Morning, Everyone

I am **Deepak Ramachandra**, attending the meeting from Mumbai. Pleasure to be here and honored to be on Board.

Company Secretary:Mr. Deepak is an experienced finance professional who completed his MBA from London Business School. He served as the Managing Director & Head of Equities at Axis Capital. Additionally, he was the Co-Head of Equities at the Bank of America Merrill Lynch India, prior to that he served as the Head of Emerging Markets for EMEA at Credit Suisse in London.

He was also part of Citigroup, India and led business development and distribution at Sharekhan.

I would now request Mr. Cyrus J. Mody, to introduce himself.

Cyrus J. Mody: Good Morning, Everyone
I am Cyrus Mody, Independent Director of the Company and joining from Mumbai. Pleasure to be here.

Company Secretary:Mr. Cyrus holds a bachelor's degree in economics and strategy from Bucknell University. After gaining experience in various roles, which included legal, investment, strategy and town planning, and following a two year stint with the Boston Consulting Group, he transited to the real estate industry. He currently manages Viceroy Properties LLP, a leading real estate development firm.

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I would now request **Mr. Parag Satoskar**, to introduce himself

Parag Satoskar: Good Morning Everyone

My name is Parag Satoskar, Chief Executive Officer of the Company and have joined this meeting from Mumbai, Head Office.

Company Secretary: Mr. Parag Satoskar has over 2 decades of experience in the chemical, fragrance and flavor industry.

Mr. Satoskar specializes in marketing across all divisions, with a strong focus on sustainability and optimizing processes, ensuring the Company consistently meets its growth targets. His technical and commercial expertise plays a key role in the strategic execution at Oriental Aromatics.

Now I would request **Mr. Girish Khandelwal** to introduce himself.

Girish Khandelwal: I am Girish Khandelwal, joining this meeting from Ahmedabad.

Company Secretary: Mr. Girish Khandelwal is a Chartered Accountant. He has been instrumental in the prudent management of the company's finances, overseeing areas such as financial planning, taxation, risk management, and financial reporting.

His proficiency involves identifying the company's financial strengths and weaknesses and suggesting effective corrective actions.

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Further from the Compliance Team Ms. Anusha Bafna and Ms. Karishma Mrug have also joined. Now I would request them to introduce themselves.

Apart from the management team, CS Shreyans Jain, our Secretarial Auditor and Scrutinizer for today's meeting and Mr. Hariharan, representative of Statutory Auditor, Lodha & Co LLP, have joined this meeting.

Now I would request them to introduce themselves.

Anusha Bafna: Hi, Good Morning everyone, welcome to the 52nd AGM of Oriental Aromatics. I have joined this meeting from Mumbai. Thank You.

Company Secretary: Karishma, please introduce yourself.

Karishma Mrug: Good Morning everyone. Welcome to the 52nd AGM of Oriental Aromatics Limited. I am the Joint Assistant **Company** Secretary and I have joined this meeting from our Head Office in Mumbai. Thank You.

Company Secretary: Shreyans kindly introduce yourself.

Shreyans Jain: Good morning everyone. I am Shreyans Jain, Company Secretary, the Secretarial Auditor of the Company and Scrutinizer for today's AGM.

Anusha Bafna: Hariharan Sir, you are on mute. Kindly unmute yourself. He has some technical issue. He has joined from Mumbai.

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Company Secretary: Thank you Mr. Shreyans, Mr. Hariharan for joining this meeting today.

Anusha please confirm if the requisite quorum is present?

Anusha Bafna: Yes, I confirm the requisite quorum is present

As the requisite quorum is present, I request our Chairman to call the meeting to order.

Chairman: Thank you, Kiran. I call the meeting to order.



CHAIRMAN'S SPEECH

Dear Shareholders,

This year at Oriental Aromatics has been another significant year of resilience and optimism, made possible by the coherence of our team and the support of our stakeholders. We continue our journey of innovative and sustainable creation, excelling in fostering generational relationships with our customers worldwide.

Today, Oriental Aromatics proudly stands as a leading fully integrated global enterprise, excelling in the manufacturing of fragrances, flavors, specialty aroma ingredients, and camphor. Continuous capacity expansion, process re-engineering, and creativity in fragrance creation are at the core of our strategy.

Sustaining and enriching our generational relationships with both long-standing and new customers empowers us to elevate our Company to new heights, despite the challenges we face in the market. Through expanding our capabilities, diversifying our

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product portfolio, and entering new markets, we have solidified our position and are poised to elevate our Company to even greater heights.

The tireless dedication and exceptional performance of our passionate team have been crucial in understanding client needs, exploring innovative solutions, and delivering performing formulations. We extend our heartfelt appreciation to all the stakeholders for their steadfast commitment and outstanding contributions towards achieving the goal of sustainable growth across all our divisions. We also express our gratitude to our stakeholders for their ongoing support.

Here, we come together to acknowledge the challenges we have faced and the measures we have taken to overcome them. I would now like to provide an overview of the Business performance.

Detailed Business Performance:

Over the past year, we have observed a global scenario marked by overstocking and reduced demand. However, there are positive signs of recovery in our specialty aroma ingredients segment. Our specialty chemicals vertical faced challenges of price erosion and demand fluctuations early in the year but made a notable comeback in the latter half, achieving a remarkable 12% sequential improvement in EBITDA over the last two quarters. Demand remains robust in our Fragrance & Flavor division, driven by the strong consumption trends in India.

In FY 2023-24, our Fragrance & Flavor segment recorded significant growth, with sales increasing by 15% year on-year. Meanwhile, the camphor and turpene chemical markets continue to pose significant challenges, especially in the camphor powder sector. Despite competitive pressures, particularly in India, strategic adjustments in our portfolio management helped us optimise profitability. Although the first half of the year was challenging due to global price declines, our focus on operational efficiencies and portfolio enhancements positions us well for positive outcomes in the coming quarters.

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Production and Financial Performance:

In FY 2023-24, despite economic challenges, we maintained a resilient operational stance. Our consolidated operating revenue was ₹ 836 crore, with a decline of 1.5% year-on-year. EBITDA stood at ₹ 47 crore, reflecting proactive efficiency measures, albeit a 13% decrease.

The most significant achievement during this year has been the generation of operating cash flow to the tune of ₹ 142 crore, resulting in improvement of our net debt-to-equity ratio, which stood at 0.30x as of 31st March 2024, compared to 0.34x in the previous year. This improvement is particularly noteworthy as it was achieved despite our on-going investments in capital expenditures (CAPEX). It reflects our disciplined approach to financial management and underscores our commitment to maintaining a strong balance sheet amid evolving market conditions.

Expansion and Milestones:

The Company has successfully completed its ambitious five-year programme, investing approximately ₹ 250 crore in expanding new plant capacities, which began in 2020. Our products launched in the specialty space over the past five years have been well-received by customers, with a continuous growth in demand for these products. To support our growth ambitions, we've made substantial investments in expanding our manufacturing capabilities.

Moreover, our Brownfield project for hydrogenation in Baroda is set to commence commercial production from H1-FY 2024- 25, aimed at enhancing our capacity in specialty aroma chemicals. The Greenfield project in Mahad is progressing well, with trial runs of commercial lots underway for full-scale production, reinforcing our commitment to meeting growing global demand

Future Strategy:

As we continue our journey, our Company remains committed to achieving success through innovation, efficient supply chain management, and expanding its customer base. By embracing innovation and enhancing operational efficiency, we strive to

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create value and foster enduring partnerships. To mitigate risks and enhance the raw material strategy by diversifying our raw material sources and exploring alternative technologies, we aim to reduce dependence on specific inputs and build a resilient supply chain for seamless operations.

Sustainability and Community Engagement Initiatives:

Sustainability is at the heart of everything we do. We're committed to reducing pollutants in our effluent discharge, safeguarding local ecosystems, and achieving Zero Liquid Discharge (ZLD) within coming years at our Bareilly & Vadodara facility. Our facilities in Ambernath and Mahad are in full compliance with ZLD standards. In Ambernath, we are currently implementing a Sewage Treatment Plant (STP) as part of this initiative, which not only reduces our environmental impact but also enhances our operational efficiency.

We're proud of our progress in cutting greenhouse gas emissions, recognised with the EcoVadis Gold Medal for our dedication to sustainability. Our investments in green chemistry and effluent control further underscore our commitment to a sustainable future. Environmental and social sustainability are key components of our development strategy, and we have implemented various internal programs to meet these objectives consistently.

To address environmental challenges, we have set ambitious targets to reduce carbon emissions, minimise waste, and conserve natural resources. Through energy efficient practices such as Continuous Process Reengineering (CPR) and the adoption of renewable energy sources, we have made substantial progress in reducing our environmental footprint.

On the social front, we prioritise the well-being and development of our employees, ensuring a safe and inclusive work environment. In governance, we have strengthened our corporate governance practices to ensure transparency, accountability, and ethical behaviour. Our board of directors and management team uphold the highest standards of integrity, ensuring fair and responsible decision-making. By addressing ESG

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challenges, setting ambitious targets, and achieving tangible results, we are committed to building a sustainable future for our Company, stakeholders, and the communities we serve.

Outlook:

Looking ahead, we are cautiously optimistic about the steady revival of demand, supported by reduced input raw material prices. We anticipate maintaining steady production across our existing product lines, leveraging our plant capacities efficiently. Additionally, with the upcoming hydrogenation products and Mahad project expansions, we are actively engaging with customers.

We are confident in meeting demand for both existing and new products assuming a stable demand-supply scenario in the aroma chemicals sector. Oriental Aromatics is delighted to share that we are on course to establish ourselves as a global supplier in all our operational areas, holding a significant market share across our product offerings. This strategic initiative aligns with our growth vision and enables us to fortify our global network, thereby enhancing our ability to serve our customers more effectively. We highly value the strong relationships we have cultivated and actively engage with our customers to understand their needs and provide bespoke solutions.

Summing Up:

We extend our heartfelt gratitude to all our stakeholders for accompanying us on this journey of value creation and express our sincere appreciation to the Board of Directors for their invaluable guidance and direction. I sincerely thank each of you for your continuous support and trust.

Your confidence has been crucial in driving our efforts towards sustained growth and success. We deeply value your partnership and collaboration, pivotal in navigating challenges and seizing opportunities. Your insights have guided our decisions, contributing significantly to our achievements. Looking ahead with optimism, we are committed to upholding excellence, innovation, and sustainability.

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Thank you.

Now I would request Shyamal to address the members.



EXECUTIVE DIRECTOR'S SPEECH

Dear Shareholders,

I welcome you all to the 52nd Annual General Meeting of Oriental Aromatics. I wholeheartedly thank each one of you for being with us in our journey.

Oriental Aromatics has always remained at the forefront of industry evolution through the support of its trusted partnerships & relationships built over the years.

Through continuous advancements in all our areas of operations, whether it's our winning fragrances in the perfumery space, new product approvals in the specialty aroma ingredients space, or our expertise as one of the oldest and largest producers of camphor, we continue to strengthen our market leadership, drive innovation, and meet the evolving needs of our customers across diverse industries.

Our operational excellence, boosted by efficient cost management and a robust supply chain, ensures that we deliver value consistently to all stakeholders.

Benefitted by the knowledge gained from decades of experience in the national and international markets, we have established ourselves as a preferred suppliers of specialty aroma chemicals to leading brands globally in the fragrance, flavor, FMCG, Food & Beverages space and as reliable suppliers of camphor in the

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religious markets & pain management space significantly contributing to their product success.

This year's performance highlights our resilience which was tested last year due to a sudden drop in demand of our products globally followed by a sharp reduction in prices. We overcame this by looking internally at our processes, becoming more efficient and sustainable.

Reflections on the Past Year:

As highlighted in the Chairman's speech, the past year can be summarised as a year with a unique set of opportunities & challenges. However, we are glad to inform that we have looked at last year majorly as an opportunity for improvement. We remain committed to our philosophy of pursuing profitable growth. Our diversified and risk-mitigated range of products has enabled us to maintain nearly identical annual sales compared to the previous year. Further, by continuously seeking opportunities for improvement and adaptation, we aim to sustain profitability within the market's dynamics.

During the financial year 2023-2024, we dedicated our efforts to the commissioning of our hydrogenation plant at the Vadodara site, a Brownfield project, and successfully commissioned it in July, 2024. We have taken multiple batches of a product in this new facility, and the leads received are quite encouraging.

Additionally, Trial Pre-commercial production has commenced at our dedicated Specialty Aroma Chemical plant, greenfield project in Mahad, Maharashtra and has reached an advanced stage of commissioning. We expect it to start contributing towards our top line from the second-half of the Financial Year 2024-2025. The results from the current trial productions have

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been encouraging and we remain optimistic about the future performance of this project.

Our efforts and achievements have not gone unnoticed. During the year 2023, we were honored to receive the prestigious Global Supplier Excellence award from Proctor & Gamble (P&G). We are proud to be amongst the 80 Companies who have got selected for this prestigious recognition out of approximately 60,000 business partners / suppliers of P&G globally.

In terms of operational performance, production of our specialty aroma ingredients were near full capacity. Similarly, our Fragrance & Flavor Division has shown robust utilisation levels and in the Camphor Powder and Terpene Chemicals segment, our focus remains steadfast on driving profitable growth while ensuring balanced capacity usage across all business units. Notably, over the past two years, our export contribution has surged significantly, climbing from 30% to 44%, driven primarily by the success of our specialty ingredients and Fragrance & Flavor divisions in international markets.

Strategy & Growth:

Under our strategic vision to carve out a strong growth chart for our business, we prioritise global markets while recognising the local potential within India. We are keenly aware of India's hyper-growth trajectory and aim to leverage this opportunity to propel our company forward. When evaluating our strategy, we consider two key factors: assessing projected future demand for the product and prioritising absolute control over our internal processes. With integrated operations spanning product conceptualisation to manufacturing specialty aroma ingredients, Fragrance & Flavor, we have better control over the entire value chain. This seamless integration, coupled with the expertise of our knowledgeable team,

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empowers us to meet client requirements quickly and at a sustainable and competitive price.

Driving Community Development and Well-being:

At Oriental Aromatics, we are dedicated to empowering communities to prosper by fostering inclusive growth as well drive positive change in the regions where we operate. Keshavlal V. Bodani Education Foundation, is a non-profit extension of our company, that has established The Gateway School of Mumbai in the year 2012. Since its inception, The Gateway School of Mumbai has worked tirelessly to create a nurturing and supportive learning environment for students who face challenges in mainstream educational settings. The school's approach ensures that each child receives the personalized attention. By developing their skills, knowledge, and understanding, the school aims to transform these students into independent and successful individuals.

The school has also been recognised as an Ashoka Changemaker School since April, 2016. During the year in February, 2024, the foundation also inaugurated The Gateway Intervention Centre, a one stop multi-disciplinary centre which focuses on creating individualised plans to ensure each child receives optimal support tailored to their unique strengths and areas of need. The team at the centre focuses on working closely with families and caregivers to optimally support each individual's growth. In the short time, the centre is already supporting over 65 families.

With a focus on empowering over 130 students, The Gateway School of Mumbai is making a significant impact on the lives of children with learning challenges. The foundation is also committed to serving children beyond the Gateway school through its various development programmes through which the foundation has

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reached over 450 teachers from across India and the world. Its unique reading app is being used by teachers to build early literacy skills in English, Hindi, and Marathi. The foundation also works directly with schools and organisations to build more inclusive environments for all learners.

We are also committed to girl child education by supporting infrastructure and educational improvements at Kasturba Gandhi Balika Vidyalaya and Composite Government Basic Vidyalaya near our facility in Bareilly, Uttar Pradesh. During the year, our employees visited the King George V Memorial at Mahalaxmi, Mumbai, distributing food and essential item kits to the residents, and also donated Sewing Machines to Seva Sadan Society, Mumbai, benefiting women from marginalised backgrounds with employment opportunities.

Our healthcare initiatives have had a substantial impact in the areas where we operate, including supporting the Blind Organisation of India with folding canes for blind individuals in Mumbai, providing medical equipment for a mobile ambulance through Gurukrupa Foundation in Ambarnath, conducting eye check-ups for people and donating oximeters to Medical Care Centre Trust in Vadodara, and organising free health check-ups, and distributing free medicine in Bareilly. These efforts underscore our dedication to improving healthcare access and services in the communities we serve.

During the year, Oriental Aromatics remained dedicated to environmental conservation and sustainable development through a range of initiatives like tree plantation drives, waste management programs, and energy efficiency projects across our facilities aimed at reducing our carbon footprint, enhancing resource efficiency, and conserving biodiversity. During the year, our employees participated in a tree plantation drives carried out in Mumbai and in Vadodara,

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showcasing our commitment to a greener environment. We also proudly supported the Inspire Institute of Sport in Bellary, Karnataka by making a significant donation to aid in the development of their facilities and programs. This contribution is aimed at nurturing and training talented athletes to achieve excellence in their sports careers.

Way Forward

Looking ahead to 2024-25, we anticipate a potential rise in demand, supported by favourable raw material prices and ongoing operational efficiencies. Our investments in the Mahad and Baroda facilities are progressing well and are poised to enhance our production capabilities while introducing new product lines. With robust capacity utilisation across our Specialty Aroma Ingredients and Fragrance & Flavor divisions,

coupled with strategic growth initiatives and increased export contributions, we are well-positioned to capitalise on emerging opportunities and drive sustainable growth.

Summing Up:

On behalf of the Oriental Aromatics family, I assure you that we will persistently strive for greater heights each year, working towards long-term sustainable profitability for our esteemed shareholders. We are deeply humbled by your trust and pledge to nurture this trust through unwavering dedication, innovation, and excellence. As we reflect on this year's accomplishments, we are inspired to reach new summits annually, guided by your confidence and our shared vision of success.

Thank you once again for your invaluable support.

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Company Secretary: Thank you, Shyamal for the speech. I would now like to highlight certain points with respect to today's proceedings.

The joining to this meeting opened 15 minutes before the scheduled time of the commencement of the meeting, which is 11:00 am and it will remain open for another 15 minutes after the end of the meeting.

Further, as mentioned in the notice, the facility of participation at the AGM through video conferencing or other audio/visual means has been made available for 1000 members on first come first serve basis, except for large shareholders, promoters, institutional investors, directors, KMP, the chairperson of the audit committee, nomination and remuneration committee, and stakeholders relationship committee as well as the auditors who are allowed to attend the AGM without any restrictions on account of first come first serve basis.

To transact the business as mentioned in the notice, all documents/Registers are available in electronic mode, for inspection by the members, throughout the meeting, and the same are available on website of the Company www.orientalaromatics.com under the head Investor Relations-Inspection documents.

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The registered office of the company at 133, Jehangir Building, 2nd Floor, M.G. Road, Fort, Mumbai, shall be deemed to be the venue for this meeting and proceedings of the meeting shall be deemed to be made here at.

The Company has received, 4 authorization letters, authorizing representatives to attend the AGM on their behalf representing 0.47 % of the voting Capital. As physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members is not available for this meeting.

We have received requests from 9 members for registration as a speaker shareholder in the AGM. All those shareholders have been provided specific links to login to the meeting by NSDL and we shall be inviting them to speak one by one. We request speakers to confine their questions to the financial statements, Board's report and Agenda of the Annual General Meeting.

Further, your Company is also providing the facility of e-voting during the AGM. Members who had not exercised their right to vote through remote e-voting are entitled to vote during the meeting. Therefore, only those of you who have not already cast your votes through remote e-voting are entitled to vote at this Meeting by using the electronic voting system, which is now available on the

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screen. This electronic voting facility will close 15 minutes after the conclusion of the AGM.

Members are requested to refer to the instructions provided in the notice for seamless participation through video conference. In case members face any difficulty, they may reach out on the helpline numbers.

With this, I now hand over the proceedings to the Chairman and request him to deliver his formal address.

Company Secretary: I would now like to request our Chairman, Mr. Dharmil Bodani to proceed with the formal business of the meeting.

PROCEEDINGS OF THE MEETING

Chairman: I now proceed with the formal business of the meeting.

The Annual Report for the Financial Year 2023-24, containing the Notice convening the Meeting together with the audited annual financial statements as on 31st March, 2024 as well as the reports of the Board of Directors and Auditors thereon had already been circulated electronically to the Members of the Company. I hope that most present here have got an opportunity to go through the Annual Report.

With your permission, I take the Notice as read.

Members may please note that as the Statutory Auditor's Report

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and the Secretarial Auditor's Report do not contain any adverse qualifications, observations or comments on financial transactions. Therefore I request the members to take the reports as read.

I would like to inform that CS Shreyans Jain, Practicing Company Secretary, has been appointed as Scrutinizer to scrutinize the remote e-voting and voting at the AGM in a fair and transparent manner as stipulated under the Companies (Management & Administration) Rules, 2014.

We now take up the resolutions as set forth in the Notice. In short, the resolutions are as under:

Ordinary Business:

1. To consider and adopt the Annual Standalone and Consolidated Financial Statements and Reports thereon for the financial year ended 31st March, 2024
(Ordinary Resolution).
2. To declare final dividend on equity shares for the financial year ended 31st March, 2024.
(Ordinary Resolution)
3. To appoint Mr. Satish Kumar Ray who retires by rotation and being eligible, offers himself for re-appointment.
(Ordinary Resolution)

Special Business:

4. To ratify the remuneration to be paid to M/s V. J. Talati & Co. Cost Auditor, for the conduct of the audit of the cost accounting records of the Company.

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(Ordinary Resolution)

5. To appoint Mr. Cyrus J. Mody (DIN: 07380723), as an Independent Director of the Company
(Special Resolution)
6. To appoint Mr. Deepak Ramachandra (DIN: 10633078), as an Independent Director of the Company
(Special Resolution)
7. To make investments, give loans, guarantees and securities in excess of limits specified under section 186 of the Companies Act, 2013
(Special Resolution)
8. To alter the Object Clause of the Memorandum of Association of the Company
(Special Resolution)

As all the Resolutions mentioned in the Notice of the AGM have already been put to vote through e-voting, the resolutions are not to be proposed or seconded by Members at the meeting. As the objective and implications of the Resolutions have been explained in detail in the Explanatory Statement accompanying the Notice, the same is not being repeated.

Now I would request our Company Secretary to explain the Voting Process.

VOTING

Company Secretary: All the eligible Members as on the cut-off date i.e. 14th August, 2024 are entitled to cast their vote electronically through the e-

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voting services provided by NSDL on all resolutions mentioned in the Notice of the AGM in compliance with the provisions of Companies Act, 2013 and rules made thereunder and Listing Regulations.

Accordingly, your Company had provided the facility for electronic voting which began at 9 a.m. on 17th August, 2024 and ended at 5 p.m. on 20th August, 2024 and has now been disabled for voting.

As informed earlier, members who have not already cast their votes through remote e-voting are entitled to vote at this Meeting by using the electronic voting system, which is already available on the screen. Members are requested to Vote on the resolutions. This electronic voting facility will close 15 minutes after the conclusion of the AGM.

The outcome of the meeting will be a cumulative count of the valid votes cast through remote e-voting and voting at the AGM.

The Consolidated Voting Results and the Report of the Scrutinizer will be displayed on the website of the Company i.e. www.orientalaromatics.com, NSDL Website i.e. www.evoting.nsdl.com and will also be intimated to the Stock Exchanges within stipulated time.

Now I would like to invite the registered speakers one by one, to express their views or ask questions.

Speakers are requested to keep their questions, if any, brief and specific and avoid repeating the questions that have been asked by earlier speakers. Further I would like to inform that when

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your name is announced, your mike will be opened by the moderator of this meeting. You will also have to unmute mike from your end and enable your web-cam, if you wish to appear on the video and thereafter you may share your views/opinions and comments.

Sr. No.	Name of Speakers
1	Vinay Vishnu Bhide
2	Satish Shah
3	Anil Mehta
4	Lekha Shah
5	Bimal Kumar Agrawal
6	Prakashini G Shenoy
7	Yusuf Yunus Rangwala
8	Celestine Elizabeth Mascarenhas
9	Aloysius P Mascarenhas

Kiranpreet Gill: Our today's moderator is Ms. Anusha. Anusha, you may start calling the names of the speakers.

Moderator: Yes, thank you. Mr. Vinay Bhide, you are the first speaker shareholder I have promoted you to the panelist list. Kindly unmute yourself. You may also start your video.

Vinay Bhide: Chairman and Managing Director - Mr. Dharmil Bodani, Executive Director - Mr. Shyamal Bodani, Operations Executive Director – Mr.. Satish Ray, CEO - Mr. Parag Satoskar, CFO, CS, Company executives, fellow shareholders, has already announced, I'm Vinay Bhide, a long-term supporter and shareholder of Oriental Aromatics, and I'm joining from my residence in Mumbai. At the outset, your team has already provided me with a hard copy of annual report. I have gone through it in detail and all that I can say is that, you know, in spite of a very difficult, you know condition both for our industry as well as for the overall scenario, we have done an

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extremely good job and not only that whatever we have performed, we have put it very nicely in the form of an annual report. So, the first comment that I would like to make on the annual report is that it is extremely well prepared, it is well detailed. Please send the annual report as a competition entry for the competition of the annual reports. That is the first thing. Now to understand the present and the future better, I have listed a few questions, you know, on both the product as well as financials and I'll quickly run through them. And the first among the questions is that we are having the divisions of flavors, fragrances specialty aroma ingredients and camphor and terpene chemicals as a part of our overall business. Could you please share the rough revenue breakup of each of these verticals as of you know, the concluded financial year that was the first question. The second question is on the raw material that we use and you know the sources and the price trends. We use, turpentine oil, alpha pinene. Petrochem inputs, you know for our end products. So, can you tell us you know whether you are sourcing them locally? I suppose we must be sourcing them locally or if it's a combination of both, you know local as well as in outside sourcing. Please tell us so and what is the change in the price trends that we have seen in the concluded financial year as compared to the pre prior financial year? So that was question number 2. Question number 3 this is on the on the annual report and this is just basically for the purpose of understanding. We have mentioned in the annual report that in the global aroma chemicals we find the use of artificial intelligence. Now that is extremely good. Please tell us you know, whether we are watching this space on the use of AI or have also already started to use on AI as a part of our business. And an ancillary question is that I do not find the use of AI mentioned in the fragrances and flavors business so is AI also used you know internationally as well as locally in the playoff business. Have they started to use it and your comments on the same? The fourth question will start with the financials. I find that you know, employee benefit expenses are in the range of 53 to 54 crores, so past two years. Now I suppose that you know we have, let's say moderated, the total number of count of employees. So, you could please confirm as to how you have been able to maintain the employee costs under control. The next question is on the finance costs. The finance cost, this year have you know short up to 20.5 crores versus 13 crores in the prior year. I was just trying to look at, as

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to what with the reasons, you know for this increase in cost. So please help me understand. I looked at pages 226 and 227 which show the ratios and I also find that we have repaid lot of short term loans and long term loans. So please tell us as to what was the critical component, which led to the increase in the finance costs and how we plan to keep under control because I find that our collections is very good, which means that you know customers are paying on time and we are also doing a good way by way of collection as figures shown page number 227. And you know, of course, another final question is on the capacity utilization. We have four manufacturing sites. So, if you could probably could give us, the overall capacity utilization figures, you know for the company as a whole and maybe for the individual factors if you have the equations ready. I have of course not sent the questions in advance as I normally do not do. But in case you are not able to reply immediately, I would be most happy, to understand the business and the questions later if you could share on mail. And I will support all the resolutions. I think we are at an inflection point in terms of a business, but I'm not being the subject expert, I would like to the directors and the entire team to confirm that my understanding is correct. I stay supportive of the company. They are a great company and I support all the resolutions. Thank you for giving opportunity.

Dharmil Bodani: Thank you so much. Parag, I'll leave it to you.

Parag Satoskar: Thank you, Mr. Bhide for the question. So, I'll probably take each question one after the other. So, in terms of your first question, which was the revenue breakup, more or less out of the three verticals that we operate out of which is the fragrance and flavors, the specialty aroma ingredients division and the Camphor and Terpene chemical space, more or less, the revenue split is 1/3 each. You know, with every passing year, it might be a \pm a few percentage points here and there, but broadly speaking, it is 1/3 each in terms of the revenue breakup. So that is my, answer to your first question. Related to your second question, I think it's an extremely broad question which is pertaining to the trends in terms of the raw materials that we use across all our divisions, so you know if you look at the raw material consumption, I can say that it's been the year that has gone by the first half, it has been pretty challenging with most of the raw material prices staying extremely unstable because of a lot of

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global factors impacting them. As we move towards the second-half, across the board, we are seeing that prices have stabilized, prices have stabilized at the lower end except for some critical raw materials like pining where we are seeing an increase in the raw material price and that is kind of putting some pressure on some of the specialty aroma ingredients that we make from pining as well as camphor and terpene chemicals. I think the third question is a very interesting question. Intervention of artificial intelligence. You know, I probably will focus the conversation more on the intervention of artificial intelligence in the chemical industry. I think this particular question can be answered in two ways, I think the first part of this intervention will involve automating all your plants you know, as we make all the plants that manufacture our chemicals, fully automated. Then we are able to collect a lot of data points when it comes to process monitoring and once these data points are collected, I think that's when the artificial intelligence will come in, which will be in a position to analyze data points and create certain trends in terms of either identifying problems or suggesting ways by which we can improve productivity. So, to broadly answer your question, I think we are well on our way in completing the first part, which is all our plants in Baroda, all our new Greenfield project in Mahad and all our plants that that will come in the future, we fully automated and controlled by DCA system and this enables us and our team to really collect large amounts of data about our process. And once we have the right platforms, because AI, according to us, is also evolving. So, once we have the right platforms which can analyze or crunch this data and create some trend analysis, I think we will definitely work more closely with incorporating artificial intelligence either on the productivity side and or on the safety side when it comes to chemicals. In terms of the employee benefit cost, I would like to mention that you know both Dharmil and Shyamal have touched upon this point that the year that has gone by has been a year where there have been immense challenges externally and so there was a very intentional focus of looking internal and see how we can kind of put a control on the expenses without losing productivity. And I think that's why I would really like to compliment the whole team right from the chairman to the operator at the plant. All of us have contributed much more than what we have done in the past and that has really helped us keep the costs in control at the same time stay productive. I think in

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terms of the finance costs, which is your question number 5, based on my understanding and Girish probably who is our CFO can answer your question in a little more depth later on. But I think the increase in finance costs primarily is driven by the term loans that we have taken for our new projects. So, I mean because of these term loans now being actioned, we have an outgo in terms of interest and in terms of repayment of the principal amount. And that is the reason why probably we have a increased outgo in terms of finance costs but if you look at how to optimize that, you know in spite of like Dharmil mentioned in his speech. In spite of having such a very strong streak of expansion, we have been able to generate free cash flow which shows the tight control that simultaneously we try to keep on expense plan. But I think in terms of capacity utilization, when it comes to our fragrance and flavor facility, we are running the plant in one shift and so we have a substantial opportunity to really kind of expand the capacity over there. Apart from that, most of the plants that are you know more than 500 days old or say 1 and a 1/2 – 2 years old, I will very proudly say that most of these plants are now running at their optimum capacity, when I say optimum, we are looking at anywhere between 75 to 85. And the older plants are running most of the times at peak capacity so you know, with this, I think Bhide sir I have answered all your questions.

Vinay Bhide:

Parag, thank you so much. You know have taken a very careful notes of in all the questions. Just you know one small question if you will permit me, you know for raw materials, you know whether they are locally procured or you know we procure them you know from outside India? some flavor of that. Thank you.

Parag Satoskar:

Excellent. So, I think if we look at if you look at the camphor and the terpene chemical space, you know the gum turpentine or the pinning, you know, we are one of the key consumers of this commodity globally and hence we buy the gum turpentine from all the turpentine growing regions in the world. And you know, we derisked our dependence on China a long time back and we moved to various other turpentine growing regions like Brazil, Argentina, Mexico. So, you know that is where we, we have a global footprint in terms of our procurement of raw materials. When it comes to the other raw materials Bhide sir, I would very proudly say that finally we are seeing substantial amount of

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capacities for critical feedstocks in the petrol space that are being now generated in India. I mean just to give you some examples capacities put by Deepak Phenolics etc. are very, very enthusiastic for company like us who wants to play a very critical global role in petrol-based products.

Vinay Bhide: Thank you so much. I think I should leave space and time for others.

Moderator: Thank you, Vinay Sir, for joining the meeting. Second speaker and third speaker, Mr. Satish Shah and Anil Mehta have not joined the meeting, so we will move to the 4th speaker shareholder. That is Ms. Lekha Shah. Ma'am, I have promoted you to the panelist. Kindly unmute yourself, start your video and you can ask your questions.

Lekha Shah: Am I audible Ma'am?

Moderator: Yes Ma'am

Lekha Shah: Thank you, ma'am. Respected Chairman sir, Board of Directors and my fellow members, good morning and regards to everyone. Myself, Lekha Shah from Mumbai. First of all, I would like thank our company secretary Kiran ma'am, for their best performance and outstanding support for all my doubts. Thank you, Shyamal sir, for such an informative and wonderful presentation. Then I have no questions today, Chairman Sir, I hope the company will continue video conference meeting in future. Sir, I would like to thank all the person of company for receiving awards and recognition by your plan during the year 23-24. Also, I'm glad the company is doing very well the field of CSR activities. Chairman Sir, I pray to God that 2024, comes with great prosperity for our company. So, I strongly and for wholeheartedly support all the resolutions for today's meeting. Thank you so much, Sir.

Parag Satoskar: Thank you.

Moderator: Thank you. Lekha ma'am, as we don't have any questions from Lekha, ma'am, we will move to the next speaker shareholder, Mr. Bimal Agrawal. Sir, I have promoted you to the panelist

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link, kindly unmute yourself and start your video. Mr. Bimal. Kindly accept the request for panelist. NSDL team, Vimal Agrawal, is declining the request for panelist.

- NSDL Team:** You can make him allowed to speak.
- Moderator:** Bimal Sir, I have allowed you to speak. Bimal Aggarwal, Sir. In the meanwhile, we will move on to the next speaker shareholder, Mr. Yusuf Rangwala. I have promoted you to the panelist.
- Yusuf Rangwala:** Very Good afternoon. Very good morning, Chairman Sir. You have a factory in Mahad. Sir, how many people are working in factory in Mahad and what are the total number of staff. Point number 2, Sir, you have given dividend. We are manufacturing attar. Sir, madam, if possible, please share with me your attar products. We are manufacturing different type of attar. Sir, how many varieties of attar are you manufacturing as I mentioned, if possible, can you send me free sample, madam, it is my humble request because we use attar in our Namaaz, if you can send some product as a sample so that I can use. Point number 3, we are in dividend list. Chairman sir, your speech was so amazing, I do not need to ask any questions. Your speech of half an hour was very excellent very knowledgeable, very particular to your work, I'm very salute. And secretary madam, Kiran madam, she is a very hard and smiling Madam. We are very happy, Madam. With you, Sir, Madam.
- Parag Satoskar:** Yusuf bhai, answer to one of your questions is that in Mahad factory, there are around 30 employee heads and counting. And regarding the attar Yusuf Bhai, I'm sure the CS team will coordinate with you and our creative team and they will send you attar and if you manufacture attar then our sales team will also co-ordinate with you surely.
- Moderator:** Thank you, Yusuf, Sir, for joining the meeting. The next speaker shareholder is Mr. and Mrs. Mascarenas. Ma'am, we have promoted you to the panelist. Kindly unmute yourself and ask your question.
- Mrs. Mascarenhas:** Hello, Am I audible? There's so many meetings and answering same time is very irritating because the two way no company is doing two-way two way this zoom meetings. There all the

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questions are asked and then in the end answers and sometimes if they are not able that time they. They give it means they send by e-mail anyway. Anyway, I come to the formal part, Respected Chairman and MD – Dharmil A Bodani, Executive Director – Shyamal A Bodani, CEO - Mr. Parag K Satoskar and all the other directors on the board and my dear fellow shareholders who are in this meeting and I am Mrs. C Mascarenas, speaking from Mumbai. First of all, I thank the Company Secretary, Mr. K Gill and her team for sending me annual report, also registering me as a speaker. And giving me platform to speak. Thank you so much. Also, I thank you for in these difficult days which dividend you have given 50 paisa, I appreciate very much. Thank you very much. Good market cap. Congratulations for all awards and applaus received during the year and also CSR work. Good. All Chairman has explained. Now my queries, 4 plants, we have Vadodara, Ambarnath, Bareli, Mahad. What is the capacity utilization of these plants? We have two R&D labs, how many people are employed in this R&D age at age and attrition level, how much is spent on R&D? Next question is we have 1685 employees, total employees and workers. How many are male and female? Next one is do you find any challenges especially logistics due to geopolitical issues especially Red Sea as we are supplying to 35 countries. Next, we are in the flavor, fragrance, speciality, aromas, and camphor and terrapin chemicals, in which of these is very much growth oriented where we get good margin? Last but not the least future road map for the next three years, CapEx program and the which vertical will be the growth driver growth engine? With this I support all the resolutions. I thank you very much. I especially wish you and the entire team good health as health is wealth and once again thank you very much. May God bless you and our company. Namaste now. Now Mr. Mascarenas done because the time is gone. There are so many meetings and they are calling my names. That is my problem. You know, when you big two-way, Give my answers on the e-mail.

Mr. Mascarenhas: Hello I'm the next speaker on the line. Can I proceed Sir?

Moderator: Yes, Sir. Yes, Sir.

Mr. Mascarenhas: Respected chairman Sir, very distinguished members of the board and my fellow shareholders. Good morning to you all. My

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name is Alosha Mascarenas. At the outset, I thank the management, company Secretary and the team for sending me a e-balance sheet which I received on time. It is self-explanatory, illustrative, informative, transparent, and adhering to all the parameters required for a good corporate governance. Our results are good with a very small dividend, but welcome. We are in the dividend list. We have got many products and I would like to know are we planning any new products and we are supplying the above products to different countries of the world. Now I would like to know whether which of these countries we are getting revenue by way of dollars because dollar rises day by day against the falling rupee. So, what is the total revenue by way of dollar inflow? Then our budget union budget. What is the effect of the Union budget on our company? Rest, I don't want to ask any more questions because of the time constraint. So, I end my speech wishing you personally, all the board members and more importantly all the employees, all the very best in the days and years to come. With this, Sir, thank you very much for patient hearing. Good luck. Goodbye and good health. Thank you.

Chairman: Thank You.

Parag Satoskar: So, Madam, as you requested, I mean, I have the data with me, but we will send you a response by e-mail about all the queries that you have asked for. I mean, just to give you a break up of male and female workers, which I have with me, right now so I can very proudly say that the number of the participation of the females in the overall ecosystem of Oriental is increasing every year and currently we have in the employees around 84% who are male and 15% who are female. And in the workmen we have around 94% who are male and around 7% who are female. For all the other questions, Madam, we will send you response by e-mail.

Moderator: Thank you, Mr. and Mrs. Mascarenhas for joining this meeting. We have only one speaker shareholder left. That is Mr. Bimal Agrawal. We'll just try if he can speak or else we'll ask him to e-mail his questions.

Dharmil Bodani: OK, Anusha.

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Moderator: Mr. Bimal, could you unmute yourself? OK, so Mr. Bimal kindly just e-mail the questions that you have Kiran, ma'am, over to you.

Kiranpreet Gill: I would like to thank all the shareholders for participating and all the speakers for asking the questions. We hope most of the queries raised by the Members have been dealt with. Should there be any further queries, then we request the Members.

Bimal Agrawal: Hello, good morning, good afternoon, good evening and good night to other shareholders who have joined from any part of the world. Sir, my question was already asked by the other speaker. I won't take your time. That's all from me. Thank you very much. Try to arrange a plant visit or the Diwali time, you can send some Kapur to the shareholders who have joined.

Moderator: Thank you, Sir. Kiran, ma'am, we don't have any questions from Bimal, Sir, so we can start with the proceedings.

CHAIRMAN TO ADDRESS QUERIES OF SPEAKERS ONE BY ONE

Company Secretary: Thank you Bimal Sir for participation. Should there be any further queries, then we request the members to address the same to us at the email id: cs@orientalaromatics.com and we would be happy to furnish our response.

I now request our Chairman to give vote of Thanks

VOTE OF THANKS

Chairman: On behalf of the Board of Directors, I would like to thank all the Members for attending and participating in this Annual General Meeting.

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The E-Voting facility on NSDL portal shall remain open for the next 15 minutes post conclusion of AGM. Members who haven't casted their vote may proceed to vote.

Thank You Everyone, It was a pleasure to connect with you all. Wishing you and your family good health and happiness. I now declare the proceedings of the 52nd Annual General Meeting of the Company as closed.