



Date: August 27, 2021

<b>The BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
<b>Scrip Code: 530117</b>	<b>Scrip Code: PRIVISCL</b>

**Sub: Chairman's Speech at 36<sup>th</sup> Annual General Meeting of the Company**

Dear Sir,

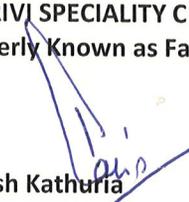
We are enclosing herewith a text of the speech delivered by Mr. Mahesh P. Babani, Chairman and Managing Director of the Company at the 36<sup>th</sup> Annual General Meeting held on Friday, August 27, 2021.

Kindly take the above on record.

Thanking You,

Yours Sincerely,

For **PRIVI SPECIALITY CHEMICALS LIMITED**  
(Formerly Known as Fairchem Speciality Limited)

  
Ramesh Kathuria  
Company Secretary & Compliance Officer



## PRIVI SPECIALITY CHEMICALS LIMITED

(Formerly known as Fairchem Speciality Limited)

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## **CHAIRMAN'S SPEECH**

Dear Shareholders,

It gives me a great pleasure to address all of you. I trust that you and your family are keeping well amidst these unprecedentedly stressful times inflicted by the pandemic of COVID-19. The world is fighting to revive, indeed survive! Organizations – corporate, social, educational are reconciling to the new realities of work. Governments, including our Honorable Prime Minister Shri Narendra Modi, are putting their best efforts to revive economies. Your Company, too, has implemented a number of measures to protect its employees, society and operations, so that our services to the customers are least impacted.

I take this opportunity to sincerely appreciate and express my heartfelt gratitude for your continued support in all our endeavours. I am sure that the same would continue in future as well.

The year that went by was special for more than one reason. I share my thoughts and viewpoints on the last financial year.

2020-2021 was a year that saw your Company PRIVI, consolidating its position and standing firm in the most challenging times that we have witnessed in over a century. Covid – 19 Pandemic prevailing over the Globe with various waves and newer variants, and the resultant lockdowns, has led to a slowdown in various economic activities which in turn has impacted financial performance of companies across most of the sectors. Even under such challenging times, your Company has performed well. Your Company has increased its share in certain product-segments and also increased its customer share. We have been able to achieve improvement in productivity by constantly focusing on innovation – process and engineering to reinvent ourselves to stay competitive.

Your Company continues to maintain its position in the Aroma Chemical Segment and has consolidated its preferred supplier status amongst leading F&F houses as well as FMCG companies. Holistic Sustainability has been the fulcrum of our growth endeavors. Our commitment and faith in

sustainability – achieving industrial value addition while causing zero damage to the environment has been our “mantra” for success.

The year that went by was yet another validation of our passion and a reflection of our resolve to innovate. As informed by me in the last AGM, your Company has embarked upon an ambitious growth plan by introducing new products to our already wide portfolio of products. These are –

Galaxmusk

Camphor and

Prionyl.

There have been delays in completing the projects due to interruptions caused by the Covid-19 pandemic. However, I am confident that the projects will be completed by this year-end and the benefits of the Capex shall start flowing from the year 2022 onwards. After the implementation of the above-mentioned products, your Company will continue its path of growth by adding newer products as per the customer requirements and our process development capabilities. We will continue to maintain our dominant position in the Global Markets for most of our products. As mentioned by me in the last AGM, your Company is on track to achieve its Vision – **annual revenues of Rs. 3000-crore.** **OFCOURSE.....!**, WE DO NOT STOP HERE. OUR INNOVISION AND PASSION SHALL TAKE US FURTHER.

Adaption, Innovation and Agility are the three key principles that form the crux of our working culture. Consistent growth, sustained value–creation for all the stake holders is what we thrive on keeping Holistic Sustainability as a priority.

Needless to add, that our strong research and development has built our foundation and allowed us to make remarkable breakthroughs. Since our inception, Research & Development has always been our top priority which has laid the foundation of growth.

Strategic backward integration of our manufacturing processes to stay competitive and sustainable in the specialty chemical space, has been an important factor to our success. Our approach of working closely with our customers with a holistic perspective on all aspects of business has been our key strength.

The year that has gone by also witnessed a significant change in the shareholding of Your Company with Fairfax's exit. As I am confident of our Company's growth and its future prospects – I have consolidated my shareholding by acquiring Fairfax's equity stake in the Company.

I would also like to inform that Your Company has signed a Joint Venture (JV) agreement with Givaudan, SA Switzerland - World's largest Fragrance & Flavour Manufacturing Company, and a Fortune 500 Company. The JV company will set up a modern manufacturing facility for highly specialised aroma chemicals. This tie-up will pave a way for many such future growth opportunities for our Company, as it showcases our Company's capability of manufacturing complex speciality fragrance ingredients and as well as Givaudan's confidence in your Company. This is the first time that the Swiss Multinational has entered a JV with an Indian Company.

We will continue to address challenges with innovation and sustainable solutions. Our customer requirements are in our heart. Your encouragement and confidence in PRIVI will drive us forward in our journey towards Excellence in being a world-class Aroma Specialty Chemicals Company.

As a responsible corporate, we commit ourselves in taking the society along with us. Our CSR projects helps us to serve the community in and around Mahad & Jagadia, where we have various projects on education, human skill development and environmental sustainability.

We strive and continue to adhere to highest level of compliance and governance, and have advocated transparency with our stakeholders in our organization. While doing this we ensure that there is rich diversity and inclusiveness that makes us a truly Global organization. Combining the best of Global practices with value system in our mind.

In the current year we are overcoming the Covid challenges and are serving the world & our nation, under essential services. We are doing our best to run our plants on a continual basis, ensuring all Safety precaution & practices. In addition, we would like to inform you that there has been a calamity, in Raigad district. Your Company's plants were inundated with water which was overcome by our team and we were amongst the first to restart the operations. Further in order to overcome such calamities in future, we are engaging a Professional Engineering Company to do a HAZOP study.

At PRIVI, the health and safety of our colleagues, customers, partners and the communities in which we operate are our number one priority. I would like to take this opportunity to thank all our employees for their dedication and commitment.

I express my gratitude for the sound guidance from my fellow Directors as well as the Management Team. I also thank our partners - Bankers, Auditors, Legal Advisors and most of all you our Shareholders as our Esteemed partners in our journey of growth. We continue to move towards our goal of being the best-in-class Global Specialty Chemical Company and move to position of NUMERO UNO alongside working with renewable Raw Materials which is the future..... and we shall be the first in the block towards the same.

**As a parting remark to my fellow stakeholders, it is my dream to make our Privi the most holistic sustainable top 100 companies of India and God Willing it will happen soon.**

We will together overcome the challenges of this global pandemic and use this crisis as an opportunity to not just survive but thrive, responsibly & inclusively.

Thanking you. Stay Safe. God Bless.

**Mahesh Babani**

**CMD**