



**TRANSCRIPT
OF
8TH ANNUAL GENERAL MEETING OF GREENLAM INDUSTRIES LIMITED**

Date: August 12, 2021

Time: 11:30 A.M. To 12.17 P.M. IST

Management Participants:

Directors & Key Managerial Personnel:

Mr. Shiv Prakash Mittal, Non-Executive Chairman

Mr. Saurabh Mittal, Managing Director & CEO

Ms. Parul Mittal, Whole-time Director

Ms. Matangi Gowrishankar, Independent Director

Mr. Sandip Das, Independent Director

Mr. Vijay Kumar Chopra, Independent Director

Mr. Ashok Kumar Sharma, Chief Financial Officer

Mr. Prakash Kumar Biswal, Company Secretary & Vice President - Legal

Invites:

Mr. Naveen Aggarwal, Partner of S S Kothari Mehta & Company, Statutory Auditors

Mr. Shashikant Tiwari, Partner of Chandrasekaran Associates, Secretarial Auditor

Mr. Dilip Kumar Sarawagi, Proprietor of DKS & Co, Scrutinizer

**Mr. Prakash
Kumar Biswal:**

Very Good Morning to all of YOU.

Myself, Prakash Biswal, Company Secretary of Greenlam Industries Limited welcome you all to the 8th Annual General Meeting of the Company.

To comply with the social distancing norms issued by the concerned authorities, the 8th Annual General Meeting of the Company is being conducted through Video Conferencing/Other Audio-Visual Means which is in line with the General Circular No. 02/2021 dated January 13, 2021 read with General Circulars No. 20/2020, 14/2020 and 17/2020 dated May 05, 2020, April 08, 2020 and April 13, 2020 respectively and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in this regard.

For smooth and seamless conduct of the AGM, the audio of the members will be kept muted and their video will be kept off.

After Chairman Sir completes his deliberations, the shareholders, who have already registered themselves as speaker, will be given opportunity to speak and raise queries, if any. To avoid repetition, all the queries from shareholders will be answered in one go.

Ms. Jyoti Singh of Link In-time India Private Limited is the moderator of this meeting. The moderator will enable the speaker shareholders one by one serially to speak. If any audio/video failure is experienced at the shareholders' end, then, the Moderator will invite the next shareholder. Any member who faces any technical issue during their turn, may be invited again once the other members completes their speech. Please note that the proceeding of the meeting is being recorded.

Speaker shareholders are requested to keep their place well lightened, noise free and speak loudly through their devices and also requested to limit their speech to 3 minutes.

Should a member experience any technical issue during this 8th AGM they can contact the helpline number given in the Notice.

As per the Article 140 of Articles of Association of the Company, the Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company. The Chairman of the Board Sri Shiv Prakash Mittal Ji is present and accordingly he will preside over the 8th Annual General meeting of the Company.

“As per the attendance, forty three members are present and therefore, the Meeting is duly convened, constituted and is in order.”

Now I request Chairman Sir to address the shareholders.

Chairman Sir Please.

Mr. Shiv Prakash Mittal:

Good Morning Ladies and Gentlemen

It gives me immense pleasure to welcome you all at the 8th Annual General Meeting of the Company. Let me introduce the board members of the Company;

Mr. Saurabh Mittal, Managing Director & CEO

Ms. Parul Mittal, Whole-time Director

Ms. Matangi Gowrishankar, Independent Director

Mr. Sandip Das, Independent Director

Mr. Vijay Kumar Chopra, Independent Director

We are also joined by;

Mr. Ashok Kumar Sharma, Chief Financial Officer

Mr. Prakash Kumar Biswal, Company Secretary & Vice President - Legal

Mr. Naveen Agarwal, Partner of S S Kothari Mehta & Company, Statutory Auditors

Mr. Shashikant Tiwari, Partner of Chandrasekaran Associates, Secretarial Auditor

Mr. Dilip Kumar Sarawagi, Proprietor of DKS & Co, Scrutinizer

I am pleased to state that during the year under review your Company reported a creditable performance in a challenging pandemic-marked year and protected and built on the Balance Sheet during different phases of the year.

During 2020-21,

- The Consolidated Net Revenue stood at Rs. 1200 Crores against Rs. 1321 Crores in the previous year
- The Consolidated EBIDTA stood at Rs. 173 crores against Rs. 178 crores in 2019-20
- Consolidated EBIDTA margin stood at 14.4% against 13.5% in 2019-20.
- Consolidated PAT stood at Rs. 73.7 crores against Rs. 86.7 crore in 2019-20
- The RoCE and RoE stood at 14.9% and 12.8% respectively.
- Your Company has reduced net debt by 140 crore.

Your Company funded its gratuity liability of Rs. 13.3 crore and settled disputed tax liabilities of around Rs. 85 crore by paying around Rs. 12.4 crore under the amnesty scheme. The result is an increasingly clean Balance Sheet with virtually no contingent liabilities.

Your company's revenues were broad-based across India and Overseas, diversifying the company's offtake risk across a number of countries and continents; international revenue accounted for 51.7% of revenues in FY 2020-21.

Your company's superior corporate and products brand facilitates a quick cash conversion cycle, strengthening working capital velocity and turns.

At Greenlam, when the pandemic intensified, there was a bigger than 'How can we protect our Balance Sheet?' The priority was 'How can we protect our people?'

In view of this, your Company selected to discontinue physical attendance and remote working was actively encouraged. The fact that we protected our talent capital was our biggest achievement in FY2020-21. The Company was required to address the prospects of workers returning to their villages. The Company utilized the accommodation already available within the factory premises for its workers that helped retain migrant workers, as a result, the company was among the first to resume manufacturing operations with reduced strength when permitted by the government.

During that critical first quarter of FY 2020-21, when it was usual for companies to be cash-strapped, Greenlam possessed relatively low outstanding and comfortable liquidity. The Greenlam management responded through a number of initiatives that set the tone for its performance through the rest of the year:

- ✓ Complete compliance with government stipulations on lockdown, safety and precautions across the company's offices and factories; observance of the highest standards of safety across all these facilities.
- ✓ State of continued preparedness, which resulted in the company being among the first within its sector to commence manufacturing and resume office operations.
- ✓ Culture of austerity during the initial two months of the financial year under review when the company was required to invest in its operations without any assurance of payback or recovery.
- ✓ Superior customer service resulting in the timely material dispatch and installation.

We lived the culture of bettering during 2020-21 and that made all the difference.

During last year, Greenlam widened its offering – mass and commodity products – to address a rebound in the residential segment without being dependent on new realty launches; the company reinforced its anti-bacterial and anti-fungal laminate range with the revolutionary anti-viral alternative that was relevant to the pandemic environment, strengthening the company's brand as consumer-centric. During the year under review your company also launched revolutionary anti-viral and anti-covid efficacy laminates and compact laminates.

The Company encountered a sharp increase in the prices of raw materials and shipping freight both inward and outward following September 2020, which made it imperative to pass increased costs to customers

Greenlam South Limited, wholly owned subsidiary in India, is setting up a Greenfield project in Naidupeta, Nellore, Andhra Pradesh for manufacturing of 1.5 million laminate sheets/ boards per annum. It has been allotted land admeasuring 66.49 acers by Andhra Pradesh Industrial Infrastructure Corporation Limited for this project. The sale agreement has been registered and your Company has taken possession of the land. Necessary steps are being taken to obtain required approvals and licenses and the commercial production is expected by F.Y. 2022-23.

During 2020-21, to strengthen global footprint, your Company incorporated wholly owned subsidiaries in Russia, Poland and Indonesia.

I am pleased to inform you that the credit rating of your Company for the long term bank facilities has been upgraded from CARE A Plus to CARE AA Minus. Your Company has received approval from the concerned Regional Director for shifting of its Registered Office from the Assam to National Capital Territory of Delhi.

With the COVID-19 vaccination drive having been introduced across countries, experts believe that economies will rebuild from the downturn sooner than anticipated. IMF is projecting a 5.5% global economic growth in 2021, the highest in years, validating the fact that humankind possesses the capacity to emerge from the downturn.

Most of the company's businesses have matured to the point where they generate adequate year-on-year surpluses without recourse to the leveraging Balance Sheet. The company's capital cost per unit of production is attractively

lower than the prevailing industry benchmark and that of competitors, strengthening the company's any-market viability.

Your Company's vision is to be a one-stop solution for all decorative surface products in its field of operation. The Company's pan-India distribution network ensures easy availability of products in almost every part of India. The Company has a presence over 100 countries, either directly or through its subsidiaries.

Your Company's outlook remains favourable on account of its product integration capabilities, growing brand popularity and the continuous support from its employees, shareholders, bankers, vendors, consumers, distributors and dealers.

The journey of the last six years, from the time we were demerged into an independent listed company, has been challenging. The company has established a respect for ESG practices, the basis of its sustainability. This one phase of our existence appears to be over with our capacity likely to proceed towards peak utilization and the company embarking on its next expansion round. At Greenlam, we believe that we have built a robust foundation of multi-year growth that should translate into enhance value in the hands of all those who hold shares in our company.

I must thank our shareholders, employees, customers, distributors, vendors and lenders for their trust and commitment. I am confident that the Company will grow from strength to strength with your unstinted support.

Further, I am interested in the item number 3 of the notice and accordingly for the transaction of the said agenda I will not chair the meeting.

Thank You,

Now I request Mr. Prakash Kumar Biswal, Company Secretary, to proceed with rest of the proceedings of the meeting. Prakash Ji.

**Mr. Prakash
Kumar Biswal:**

Thank you Chairman Sir.

Now I request the Moderator to invite the speaker shareholders to raise their query, if any.

Mr. Sandeep Singh, the registered speaker shareholder spoke at the Meeting. He expressed his views, and he raised queries/gave suggestions to the Management of the Company.

**Mr. Prakash
Kumar Biswal:**

Before, we answer shareholders' query, he didn't have any query, he had few suggestions, I would like to inform that;

“The Financial Statements for the financial year ended March 31, 2021 including the Consolidated Financial Statements for the said financial year, and the Reports of the Board of Directors and the Auditors thereon, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and the Register of Contracts or arrangements in which directors are interested as maintained under Section 189(1) of the Companies Act, 2013 along with the Secretarial Auditors’ Report and other relevant documents are available on the website of the Company or electronically for inspection by the members throughout the meeting.”

“The Notice convening the meeting has been with you. With your permission, I shall take the same as read.”

There is no qualification, observation, comment or other remarks on financial transactions or matters, which have any adverse effect on the functioning of the company, in the auditor’s report issued by Statutory Auditors of the Company, M/s. S S Kothari Mehta and Company and therefore it is not required to read the said Auditors’ report in annual general meeting.

Further, the Secretarial Auditor of the Company, M/s. Chandrasekaran Associates have given an unqualified report for the financial year 2020-21 except the following observation:

“During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that the National Stock Exchange of India Limited has levied a fine of Rs. 5,07,400 (including 18% GST) for the period from April 01, 2020 to November 01, 2020 and BSE Limited has levied a fine of Rs. 75,520 (including 18% GST) for the period from October 01, 2020 to November 01, 2020 for non - compliance of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for which the Company has filed applications for waiver of the same and the matter is still pending.

The Explanation given by the Board on the observations of the Secretarial Auditors is as under:

The Risk Management Committee (RMC) was constituted by the Board of Directors of the Company on November 02, 2020. Subsequent to formation of RMC, National Stock Exchange of India Limited (NSE), levied a fine of Rs. 5,07,400/- (including GST) for period April 01, 2020 to November 01, 2020 and BSE Limited (BSE), levied a fine of Rs. 75,520/- (including GST) for period October 01, 2020 to November 01, 2020, on the Company for non-compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Non-constitution of Risk Management Committee. The Company has paid the aforementioned fine to BSE and NSE under protest

and submitted reply cum waiver application with BSE and NSE which is pending for disposal.

This is further to update that NSE has already waived the entire fine and the Company is pursuing with BSE for waiver off the fine as well.

As already informed, the Meeting is being conducted through Video Conferencing and the Company provided remote e-voting facility to all the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the 8th Annual General Meeting in accordance with the provisions of Section 108 and 109 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The remote e-voting facility were kept open from 10.00 a.m. on August 09, 2021 to 5.00 p.m. on August 11, 2021.

In line with the provisions of Clause 7.1 of SS-2 on General Meetings, proposing and seconding the Resolutions is not required as remote e-voting was commenced before the commencement of the Meeting.

“Further, as per Section 107 and Section 108 of the Companies Act, 2013 read with aforesaid MCA Circulars, there will be no show of hands at the Annual General Meeting. Therefore, in order to enable the members present at the meeting and who has not availed the facility of remote e-voting, to cast their votes, an electronic voting facility at the AGM has been arranged and voting will be taken in respect of all the businesses contained in the notice.”

“Mr. Dilip Kumar Sarawagi, Practicing Company Secretary has been appointed as the Scrutinizer, by the Board of Directors for scrutinizing the remote e-voting and the poll process through e-voting and to give report thereon in the prescribed manner.”

Now I request Mr. Saurabh Mittal Ji, Managing Director & CEO of the Company to respond to the shareholders’ comments.

Now, Mr. Saurabh Mittal, Managing Director & CEO of the Company responded appropriately to the queries/suggestions of the registered speaker shareholder.

**Mr. Prakash
Kumar Biswal**

“Now, as advised by the Chairman, I will proceed with the following businesses as set out in the Notice convening the 8th Annual General Meeting for consideration and approval of members.” There are total four businesses in the notice. Item 1, 2 and 3 are Ordinary businesses and Item 4 is Special business.

Ordinary Businesses:

Item No.1.

Consideration and adoption of the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, the Audited Consolidated Financial Statements of the Company for the said financial year and the Reports of the Board of Directors and Auditors thereon.

Item No.2.

Declaration of final dividend of Rs. 5 per equity shares of Rs. 5 each of the Company for the financial year ended March 31, 2021.

As Chairman is interested in agenda no. 3 of the Notice, with consent of all the Members present, I request Mr. Sandip Das, Independent Director of the Company, to Chair the Meeting for the said agenda item.

Item No. 3.

Re-appointment of Mr. Saurabh Mittal (DIN: 00273917) as a Director of the Company, who retires by rotation.

Now, I request Sri Shiv Prakash Mittal Ji to chair the Meeting for rest of the agenda items.

Special Business:

Item No.4.

Appointment of Mr. Yogesh Kapur (DIN: 00070038) as an Independent Director of the Company, not liable to retire by rotation, who is eligible for appointment, for a term of 5 (five) consecutive years from the conclusion of 8th Annual General Meeting (“AGM”) till the conclusion of 13th AGM or expiry of 5 years from 8th AGM, whichever is earlier.

“E-voting facility for voting at the AGM provided by the Company shall be open for the members present at the meeting, for 15 minutes from the conclusion of the Meeting.”

“The results of the e-voting and remote e-voting will be announced on receipt of the scrutinizer’s report and the same will be placed on the Company’s website and will also be sent to the Stock Exchanges. Further, the transcript of the AGM shall also be uploaded on the website of the Company.”

“As we are approaching the closure of this meeting, I would like to convey hearty thanks to Chairman Sir for sparing his valuable time to conduct the 8th AGM, enlightening various important aspects of the business and prospects of the Company. I would also like to thank Mr. Sandip Das for chairing the meeting for the agenda in which regular Chairman is interested. I would also like to thank

all the directors, CFO, statutory auditors, secretarial auditors, scrutinizer and all the shareholders for their participation.

Thank you all once again.

Now I request Chairman Sir to declare the formal closure of this 8th AGM.

**Mr. Shiv Prakash
Mittal:**

The 8th Annual General Meeting is now concluded.

Thank You Very Much.

Stay Safe and Stay Healthy.