



**TRANSCRIPT OF 9TH ANNUAL GENERAL MEETING OF
GREENLAM INDUSTRIES LIMITED**

Date: August 10, 2022

Time: 03:00 P.M. To 04:08 P.M. IST

Management Participants:

Directors and Key Managerial Personnel:

Mr. Shiv Prakash Mittal, Non-Executive Chairman (Chairperson of Stakeholders Relationship Committee)

Mr. Saurabh Mittal, Managing Director & CEO (Chairperson of Risk Management Committee)

Ms. Parul Mittal, Whole-time Director

Ms. Matangi Gowrishankar, Independent Director (Chairperson of Corporate Social Responsibility Committee)

Mr. Sandip Das, Independent Director (Chairperson of Nomination and Remuneration Committee)

Mr. Vijay Kumar Chopra, Independent Director

Mr. Yogesh Kapur, Independent Director (Chairperson of Audit Committee)

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. Rupesh Agarwal, Partner of Chandrasekaran Associates, Secretarial Auditors

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

Mr. Prakash Kumar Biswal:

Very Good Afternoon to all of you.

Myself, Prakash Biswal, Company Secretary of Greenlam Industries Limited welcome you all to the 9th Annual General Meeting of Greenlam Industries Limited. Hope all of you and your family members are keeping well and safe.

The 9th Annual General Meeting of the Company is being conducted through Video Conferencing in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

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 and MD Sir complete their 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 the 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 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 complete their speech. Please note that the proceedings 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 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 and Stakeholders' Relationship Committee, Shri Shiv Prakash Mittal Ji, is present and accordingly he will preside over the 9th Annual General meeting of the Company.

As per the attendance, 44 members are already present and therefore, the Meeting is duly convened, constituted and is in order.

Now I request Chairman Sir to address the shareholders.

Mr. Shiv Prakash Mittal:

Thank you, Prakash.

Good Afternoon Ladies and Gentlemen,

It gives me immense pleasure to welcome you all at the 9th Annual General Meeting of the Company.

Let me introduce the Board of Members of the Company.

Mr. Saurabh Mittal, Managing Director & CEO and Chairman of Risk Management Committee

Mrs. Parul Mittal, Whole-time Director

Mrs. Matangi Gowrishankar, Independent Director and Chairperson of Corporate Social Responsibility Committee

Mr. Sandip Das, Independent Director and Chairman of Nomination and Remuneration Committee

Mr. Vijay Kumar Chopra, Independent Director

Mr. Yogesh Kapur, Independent Director and Chairman of Audit Committee

We are also joined by:–

Mr. Ashok Kumar Sharma, Chief Financial Officer

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

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

Mr. Rupesh Agarwal, 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, Company reported an immense growth in both top-line and bottom-line despite of their rebound of the pandemic with greater ferocity, manifesting in the second wave in the first quarter of the year under review and thereafter the fourth quarter as well, each time it started affected consumer's confidence.

During the year under review, we overcome the unprecedented increase in the resources cost, we overcome Covid disruptions to report creditable results, we communicate the intention of the next growth journey, we are building fresh capacity two locations, we strengthen up the market leadership.

I am confidence that various proactive and strategical initiatives taken during the recent past, your company will continue to achieve newer milestone in the years to come.

I would like to request Mr. Saurabh Mittal, Managing Director & CEO of the Company to apprise the shareholders of the Company on the financial and operational performance of the Company and thereafter the Company Secretary to take up the further agenda and other secretarial formalities.

I am interested in the Item Number 3 of the notice and accordingly, for this transaction of the said agenda I will not be the chairperson.

Thank You.

Mr. Prakash Kumar Biswal:

Thank you, Chairman Sir and I will request Saurabh Sir to apprise the shareholders on the financial and operational performance of the Company.

Mr. Saurabh Mittal:

Thank you, Prakash; Thank you, Chairman. Good Afternoon ladies and gentlemen,

I am pleased to apprise that, during the financial year 2021-22,

- The Consolidated Net Revenues of the Company grew by 42% and stood at Rs. 1703 crores against Rs. 1200 crores in FY21.
- The Consolidated EBIDTA grew by 7.9% and stood at Rs. 187 Crore as compared to Rs. 173 Crores in FY21.
- The Consolidated EBIDTA margin de-grew by 340 bps and stood at 11% against 14.4% in FY21 on account of increase in raw material costs.
- The Consolidated PAT grew by 22.9% and stood at Rs. 90.6 Crores against Rs.73.7 crores in FY 2020-21 (after an exceptional expense of Rs. 2.6 Crores). actually, the exceptional expense of Rs. 2.6 crore was deducted in the FY22 pact.
- The RoCE declined marginally by 1.5% and stood at 13.4% on account of increased inventory and investments in new business segments that will pay off only in the future.
- The ROE increased by 100 bps and stood at 13.8%.
- The Net debt of the Company stood at INR 169 Crores. The debt cost of the Company declined from 4.6% in FY21 to 3.4% in FY22.
- Working Capital cycle improved by 7 days to 81 days of turnover equivalent.

Your company's revenues were broad-based across India and the international markets. During the FY 2021-22, your Company generated 49.4% of revenues from the international markets.

The above stated performance represented a validation of Greenlam's business model, the commitment to enhance product value, the ability to widen and deepen its sales footprint, the launch of products that make our portfolio more complete, the capacity to enhance brand visibility and a fiscal discipline to prioritize cash flows over profits.

During the year under review, cost of range of raw materials reached all-time high due to pandemic in addition to the shortages of certain chemicals and significant disruptions in supply chain in availability of containers as well as the frequency of vessels. The combined effect of these challenges affected our Company as we import a large amount of raw materials and we export nearly 50% of our production, warranting the container movement within and outside the Country. This impacted the working capital outlay and margins but due to timely intervention and supply chain engagement, the impact was moderated.

Your Company de-leveraged its Balance Sheet, strengthened its working capital management through superior trade terms, increased the proportion of value-added products and moderated costs, which resulted in enhanced competitiveness across market cycles.

It is imperative to inform that that despite the challenging environment, your company continued to build for the long-term. Your Company strengthened its sales teams, increased its marketing expenditure, outlined a medium-term capital expenditure in the existing and new categories, strengthened digitalization, invested in the brand and made new product launches across categories. In spite of pandemic hitting

twice during the year under review, the year 2021-22 was an eventful year for Greenlam mainly due to the following reasons:–

- ❖ The Company established a branch office in Kathmandu, Nepal to widen its presence and penetration.
- ❖ The Registered Office of the Company was shifted from the State of Assam to the National Capital Territory of Delhi and consequent alteration of Situation Clause of the Memorandum of Association of the Company.
- ❖ Your Company had acquired 74.91% of the total equity share of HG Industries Limited for a total consideration of Rs. 13.92 crore approximately and consequently, HG Industries Ltd. has become a subsidiary of your Company.
- ❖ Your Company made decision to enter into plywoods and particle boards business through its subsidiaries HG Industries Limited and Greenlam South Limited.
- ❖ Greenlam South Limited has undertaken to set up a greenfield project for manufacturing of particle board at Naidupeta, Andhra Pradesh having an installed capacity of 2,31,000 cubic meter particle board per annum at an investment of Rs. 600 crore approx.
- ❖ Greenlam South Limited has also undertaken to set up a greenfield project for manufacturing of laminates having an installed capacity of 3.50 million sheets per annum at an investment of Rs. 225 crores.
- ❖ HG Industries Limited has undertaken to set up a greenfield project for manufacturing of plywood at Tindivanam, Tamil Nadu having an installed capacity of 18.9 million square meters plywood per annum at the investment of Rs. 125 crores approximately.
Your Company responded swiftly and diligently to the CAQM's order of closure of its Behror plant and with appropriate representation before CAQM, it ensured resumption of operation.
- ❖ Your company carried out subdivision of its equity shares from face value Rs.5/- to face value Re.1/- and consequent alteration of Capital Clause of the Memorandum of Association of the Company.
- ❖ Your Company made its maiden entry into the bond market and successfully raised Rs. 99 crore secured, listed, redeemable, Non- Convertible Debentures at an interest rate of 7.78% per annum.
- ❖ Your Company initiated the process of raising capital through QIP basis, however, it could not be concluded largely owing to the prevailing global uncertainties in the backdrop of the Ukraine invasion by Russia.

Further, consequent to the close of the FY22, your Company received the export excellence award as the highest exporter of “Decorative Laminates” for the years financial year 2019-20, financial year 2020-21 from The Plastic Export Promotion Council which is sponsored by the Ministry of Commerce & Industry, Department of Commerce, Government of India. With this, Greenlam Industries Limited has become a proud recipient of the award for the Top Export of Decorative Laminates for twelve consecutive years.

Your Company has acquired the manufacturing facility of Bloom Dekor Limited situated at Prantij, Gujarat with a production capacity of 3.4 million laminate sheets per annum at a investment of about Rs. 36 crores. The Company is also committed to spend an additional capex of about Rs. 15 crores to operationalize the said plant and to upgrade its facilities to 5.4 million sheets per annum.

Your Company has raised equity capital of Rs. 195 crore through the issue of 63,10,680 equity shares to Smiti Holding and Trading Company Private Limited on a preferential basis at a price of Rs. 309 per share. Consequent to the allotment of aforesaid Equity Shares, the paid-up Equity Share of the Company stands increased from Rs. 12.07 crore to Rs. 12.7 crore.

The Board of Directors of your Company at its meeting held on June 30, 2022, has approved amalgamation of HG Industries Limited with Greenlam Industries Limited with effect from April 01, 2022. The share exchange ratio shall be 1 equity shares of face value of Re. 1/- each of the Greenlam Industries Limited for every 2 equity shares of face value of Rs. 5/- each of HG Industries Limited. The Scheme is subject to the receipt of requisite approvals from statutory and regulatory authorities, and the respective shareholders and creditors, under applicable law.

Greenlam's vision is to graduate from the manufacturer of standalone surfacing products to an integrated surface and solution provider. We expect to deepen our sectorial position and emerge as India's leading wood panel player, broad basing our portfolio across growing product categories. In doing so, we expect to graduate from a presence in existing categories of laminates, wood flooring, doors and decorative veneers – to existing and emerging plywood and particle board categories. The Company's Pan-India distribution network ensures an easy availability of products in almost every part of country. The Company enjoys a presence in over 100 countries internationally, either directly or through its overseas subsidiaries and stepdown subsidiaries.

Today, Greenlam is engaged in the manufacturing of laminates, veneers and addresses a cumulative market opportunity of Rs. 11,000 crores. Tomorrow, Greenlam, with plywood, particle boards, addition in its programs is expected to address market opportunity of nearly Rs. 46,000 crores with corresponding growth room. This extension of our focus is relevant as a new segments of our presence are largely or rapidly growing and some can even be considered sunrise in India with a large opportunity headroom.

Your Company's outlook remains favourable on account of continuous processes strengthening, growing brand popularity, customer shift from unorganised to organized, market coupled with support from employees, shareholders, creditors, customers, distributors, dealers, lenders and all other relevant stakeholders.

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

Thank you so much.

Prakash you may proceed please.

Mr. Prakash Kumar Biswal:

Thank you, MD Sir.

Now the members who have already registered themselves as speaker will be given opportunity to speak and raise their queries. To avoid repetition, all the queries from the shareholders will be answered in one go.

Now I request the moderator to invite the speaker shareholders to raise their query and all the speaker shareholders are requested to mention their name and the place from where they have joined the meeting before the start of their speech.

Jyoti, over to you...

Ms. Jyoti Singh:

Thank you so much Sir.

Our first speaker is Mr. Ajay Kumar Jain.

Mr. Ajay Kumar Jain, you are on the panel.

Mr. Ajay Kumar Jain:

Namaskar, Chairman Sahab. Main Delhi se Ajay Kumar Jain, company ka shareholder bol raha hoon aur Sir, aaj iss meeting mein judne ka udesha hai humare Chairman sahab ko dekhna aur unki jo baat sunna thi kyunki woh mere liye itne ache Chairman hai ki woh jo baat kehte hain woh bhavishya ki baat hue kehte hain uska amal aur iska prabhav Company pe hamesha padta hai, kyunki abhi thode dino pehle Company ki jo EGM hui thi usko bhi humne unke saath join kiya tha aur Sir aapne jo bataya wo bahut acha laga aur aapke saath saath jo humare MD sahab hain unhone jo hume company ki vistaar me jaankari di, working aur financials ke baare mein, wo saari achi hain aur jo sabse badi baat mujhe unki speech mein lagi wo yeh laga ki humari company ne debt ko ghataane ka prayas kiya, woh bhi itne pratikool samay ke andar company ne profit bhi badaya hai sab kuch karta hai aur debt bhi ghataya hai, yeh lagta hai ki aapka netritwa aur MD sahab ki mehnat aur aapki jo Directors aapka CFO sahab ka ek teamwork hain uska lagan hai aur jo aapne humari Company ki vistaar ki योजनाein batayi woh bahut zyada, uska prabhav aane wale samay mein padega, jis time pe humara share split hua tha, main samajhta hoon aaj ka jo bhav, jo share hain face value ki woh iss vistaarvadi योजनाon ko poora hone ke baad ussi rate se ya usse upar bhi pahunchenge, aisa mujhe prateet hua aapki speech aur Chairman sahab ki poori jo presentation diya hai bahut prabhavshaali hai, main saare bhaavon ka anubhodhan karta hoon.

Sir, ek do nivedan hai merese, yadi koi punaye vichaar ho toh Delhi walon ke liye toh aap bahut ache Company hain unka bhi registered office change hoga toh yadi Board iss par punar vichaar kare, yeh Board ke vivek ke upar hai, kyunki hum toh ab aapse abhi tak mil bhi nahi paaye Sir, corona ke aur iske karan bhi aur aapse rubaroo hona yeh toh abhi face to face, itni dur se dekhke hi apna mann prasan ho jaata hai kyunki jo aapke chehre ki smile, aisi smile nahi hai, aatam jo vishwaas hai uski ek jhalak darshaati hai, aapke saath saath including maine jo anya Board ke Director dekha unka jo vishwaas hai wo jhalak raha tha aapki muskurahat ke andar. Issi ke liye yadi aap uttar Bharat walon ke liye kuch chodkar jaenge toh humhe achcha nahi lagega aur 2 baat keh kar apni baat khatam karta hoon, ki saari team work achchi hai, moderator ki party bahut achchi hai aur lagta hai aapke netritve mein

Company Secretary sahab ne ek teamwork ke roop mein kaam kiya hai aur meeting ko zimmedari se nibhaya hai Sir.

Aapke liye shubhkaamnayein.

Namaskar, Jai Hind.

Ms. Jyoti Singh:

Thank you, Mr. Jain.

Our next speaker is Mr. Ankur Chanda.

Mr. Ankur Chanda Ji, you are on the panel.

Mr. Ankur Chanda:

Hello, am I audible ?

Ms. Jyoti Singh:

Yes Sir.

Mr. Ankur Chanda:

Namaste Sir, aapki speech ke baad waise hi koi question nahi bachta kyunki jab bhi aap matlab jab saare details hi aap bata dete hain isiliye humhe toh poochne ki zaroorat hi nahi padti, bas hum toh bas yehi chahte hain ki issi tarah aap mehnat karte rahein aur humhe apni share mein appreciation milti rahe bas. Baaki secretarial department toh aapka achcha hai hi, uss mein toh koi do rahe hai nahi Sir.

Bas Sir, iske saath dhanaywaad.

Ms. Jyoti Singh:

Thank you, Mr. Chanda.

Our next speaker is Mr. Lokesh Gupta.

Mr. Lokesh Gupta, you are on the panel.

Mr. Lokesh Gupta:

Hello, hello, hello, Sir, aap mujhe sunn paa rahe hain ?

Ms. Jyoti Singh:

Yes Sir.

Mr. Saurabh Mittal:

Ji.

Mr. Lokesh Gupta:

Hello, hello.

Mr. Prakash Kumar Biswal:

Lokesh ji, sunn paa rahe hain hum, boliye please.

Mr. Lokesh Gupta:

Hello Sir, aap mujhe sunn paa rahe hain ?

Mr. Prakash Kumar Biswal:

Yes, Lokesh ji.

Mr. Lokesh Gupta:

Sir, main Lokesh Gupta, Chairman Sir aapka, sabhi Board members ka swagat karta hoon. Sir, main company ka kaafi samay se shareholder hoon, EGM par bhi main juda tha, usse pehle bhi company ke

shareholder hain lekin aapse judne ka awsar nahi mila, mood aaya toh hum iss mein jude.

Sir, mujhe kuch nahi poochna, aapne jis tareeka ka Chairman speech mein company ke baare mein bataya, woh sab kuch humhe pata chal gaya. Sir, lekin aane waale ek ya do saal mein hum kis growth pe jayenge, humaare revenue mein kya hoga, uske baare mein thoda bataiye aur ek yeh mode mila hai Sir, aap kahin bhi rahein, AGM issi mode pe karein, issi mode par aapse judte rahenge Sir.

Dhanaywaad Sir.

Ms. Jyoti Singh:

Thank you, Mr. Gupta.

Our next speaker is Mr. Pramod Kumar Jain.

Mr. Jain you are on the panel.

Mr. Pramod Kumar Jain:

Namaskar Sir, meri awaaz aa rahi hai aapko ?

Mr. Saurabh Mittal:

Ji.

Mr. Pramod Kumar Jain:

Namaskar, main Pramod Jain Delhi se Chairman sahab, Board of Director aur Secretarial department ka bahut dhanyawaad karta hoon, jo aapne iss AGM mein mujhe bolne ka awsar diya aur aaj ke prastavith sabhi resolution ka main samarthan karta hoon aur mera saubhagaya hai, ek mahine mein doosri baar aapse humhe milne ka awasar mila hai aur aapne humhe apni Chairman speech mein humhe vistaar se sab kuch bata diya hai, abhi humaare ko poochne ke liye kuch bhi nahi hai. Hum aapka bahut dhanaywaad karte hain aur humhe aapki leadership pe poora yakeen hai, bharosa hai aapki company din dugni raat chaugni taraki karegi aur aap bahut unchaaiyoon pe le jayenge aur anth mein secretarial department ka bahut dhanaywaad karta hoon, Company Secretary sahab ka, jo humhe yahan inhone iss platform par judne mein humaari bahut madad kari.

Namaskar, dhanyawaad.

Ms. Jyoti Singh:

Thank you, Mr. Jain.

Our next speaker is Mr. Praveen Kumar.

Mr. Praveen Kumar.....

Mr. Praveen Kumar:

Hello, I am audible Sir ?

Mr. Saurabh Mittal:

Ji.

Mr. Praveen Kumar:

Hello, I am audible Sir ?

Mr. Prakash Kumar Biswal:

Yes, Praveen ji you are audible.

Mr. Praveen Kumar:

Sir, a very very good afternoon to respected Chairman, my esteemed Board of Directors. ab humaara jo registered office hai Delhi mein aa gaya hai toh kahin na kahin iss meeting ke baad kahin na kabhi personal bonding hogi. Humaare Company Secretary, he is doing extra, excellent work as far as the communication with the shareholder is concerned, so I wish All the very very Best for the future Sir.

Thank you, Sir, thank you very much for providing me this opportunity.

All the very Best Sir. Thank you, Sir.

Ms. Jyoti Singh:

Thank you, Mr. Praveen.

Our next speaker is Mr. Vinay Vishnu Bhide.

Mr. Vinay, Mr. Vinay you are on the panel.

Mr. Vinay Vishnu Bhide:

Are you able to hear me ?

Mr. Saurabh Mittal:

Yes, we can hear you Sir.

Mr. Vinay Vishnu Bhide:

Chairman Shiv Prakash Mittal ji, CEO Mr. Saurabh Mittal, Parul Mittal Madam, Directors present in today's you know AGM, company's executives and shareholders, Good Afternoon to all of you.

I think you know that all the details have already been given in the Annual Report and have been explained you know by Managing Director as well as Chairman, so with your permission I will quickly go down to the few things which I have listed, you know with the reading of the Annual Report and they are as follows Sir:

First question is that, it mention of Page No. 6, that you know we are among the three largest you know laminate brands globally. So, can you please tell us you know which are the other 2 brands you know which are leading on a global level, this is the first question.

Secondly, I find that our major revenues come from laminates and we have also started to make in allied into other products such as decorative veneers, engineering wood and engineered doors. For these 3 product categories, i.e. decorative veneers, engineering wood and engineered doors, could you give some idea of you know the opportunity and the market size both locally as well as globally, so that was the second question.

The third question is the could you give some idea of the percentage of the ad expense that we have on digital advertising, what percentage of our advertising budgets cover digital advertising and finally, you could you know please give us the IT budgets what is upto you know financial year and what is our IT budget you know for the running year. So, these are the few questions. I would like to make a few few points again, I would request Chairman Sir to take you know good care of his health

because you know we have what we have, we have lot of love and affection and I must also make a mention here you know Secretarial department you know lead by Mr. Prakash Biswal and his team, they take a lot of care in ensuring that investors you know participate in these meetings, they call up one day ahead and you ensure that the things are align. I am very happy and request you to you know to retain and you know support you know such executives. I must also mention here that I had an opportunity to interact. I have covered most of the points, you know. In addition to Mr. Prakash, we have got some very good you know executives like Mr. Bhatnagar, who heads the IT, I had the opportunity of interacting with him, I think we should nurture and support you know such excellent executives and because they will stand in good state you know for us in the years to come as far as our business is concerned.

So, I would come with you know support for all the resolutions, I wish the Directors and employees All the Best.

Thank you for giving me opportunity to speak Sir.

Ms. Jyoti Singh:

Thank you, Mr. Vinay.

Our next speak is Mr. Raju Verma.

Mr. Raju Verma ...

Mr. Raju Verma:

Hello, awaaz aa rahi hai madam aapko meri ?

Ms. Jyoti Singh:

You are audible Sir.

Mr. Raju Verma:

Hello, awaaz aa rahi hai?

Ok.

Good Afternoon, main Raju Verma shareholder nayi delhi se bol raha hoon Sir aur iss 9th AGM mein aap sabhi ka swagat karta hoon. Aapke Company Secretarial department ka dhanaywaad karta hoon ki jinhone mujhe bolne ka mauka diya, maximum baatein Chairman ki speech mein clear ho chuki hain aur pur vakt bhi kafi kuch keh chuke hai. Greenlam Limited ke har employee ko salute hai Sir jinhone Company ko aage badane mein sehyog diya hai aur apna best diya hai. Greenlam Industries Limited ek investment friendly company hai, main sabhi resolution ka samarthan karta hoon.

Thank you so much Sir.

Ms. Jyoti Singh:

Thank you, Mr. Verma.

Our next speaker is Mr. M.P. Bhutani.

Mr. M.P. Bhutani..

Mr. M.P. Bhutani, you are on the panel.

Mr. Prakash Kumar Biswal:

Jyoti, whether it is M.P. Bhutani or Santosh Bhutani ?

Ms. Jyoti Singh: He has mentioned his name as Mr. M.P. Bhutani.

Mr. Prakash Kumar Biswal: Ok.

Ms. Jyoti Singh: Mr. Bhutani, you are on the panel, please unmute yourself.
It seems due to some technical fault; he is not able to speak.
Mr. Bhutani, are you there ?

Mr. Prakash Kumar Biswal: Jyoti, you may please move to the next speaker.

Ms. Jyoti Singh: As all questions has been spoken, so no other speaker shareholder is present with us. Please go for next proceedings, over to you Sir.
Prakash Sir

Mr. Saurabh Mittal: Some challenge. You there Prakash ?

Mr. Prakash Kumar Biswal: Am I audible Sir ?

Mr. Saurabh Mittal: Now it is better.

Mr. Prakash Kumar Biswal: There was some connectivity issue.

Mr. Saurabh Mittal: Yeah.

Mr. Saurabh Mittal: Do we respond ?

Mr. Prakash Kumar Biswal: Just a minute Sir.
Thank you very much all the speaker shareholders for your queries, suggestion and appreciations.
Before we answer the shareholders' query, I would like to inform that:—
“The Financial Statements for the financial year ended March 31, 2022 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 already been with the shareholders. With the permission of the shareholders, I shall take the same as read.”

There is no qualification, observations, comments, other remarks on the financial transactions or matters, which have any adverse effect on the functioning of the company in the Auditor’s Report issued by the Statutory Auditors of the Company, M/s. S S Kothari Mehta and Co. and by Secretarial Auditor of the Company, M/s. Chandrasekaran Associates and therefore, it is not required to read the said Auditors’ Report in the Annual General Meeting.

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 vote electronically in respect of all the businesses to be transacted at the 9th 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. of August 07, 2022 to 5.00 p.m. of August 09, 2022.

In line with the provisions of Clause 7.1 of Secretarial Standard-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 relevant 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 have 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 accordance with the applicable provisions 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, with permission of Chairman Sir, I request Mr. Saurabh Mittal, Managing Director & CEO of the Company to respond to the queries raised by the shareholders.

Saurabh Sir, please ...

Mr. Saurabh Mittal:

Thank you, Prakash.

So, I would like to thank all the shareholders for their queries, for their motivational words, I think it really does continuously keep encouraging us to do better. So, if I come to specific points which have been asked, Lokesh Gupta Ji asked regarding the revenue potential in the coming years, so at the moment considering the investments, we have undertaken for the plant in Gujarat, Tamil Nadu and Andhra Pradesh cumulatively about Rs. 1,000 crores of

capital expenditure approximately will be spent and we had announced this in the presentation which is being up on the exchange and the company's website which is called the **Next Orbit**. So, from the revenue base of FY21 which was about 1200 crore, the revenue potential can be more than triple, so basically it will be somewhere above 3,600, you know over the next couple of years considering the investments we have made, so that is on the revenue part. Then there was point from Vinay Bhide ji regarding the other two brands, so there is a brand called Wilsonart, which is headquartered in America and a brand called Formica, so they are the other top 2 brands internationally. As far as the second point was related to the wood and allied category, so decorative veneers, doors and wood flooring. So decorative veneers is approximately a Rs. 2,000 crore market opportunity in the country at the moment. The engineered doors is still a relatively newer concept in the country where we are manufacturing doors in the factory and the door is installed on the site, if u look at a macro picture the door market or the opening market is extremely large and it is a large opportunity but we end up competing with carpenters and contractors. It's a highly unorganized segment with multiple kinds of doors available at various price points, so internationally most doors are produced at the factory and installed on site, but India, it is still the other way round, so I think this business can be a meaningful opportunity as things progress and we have taken some basic steps to kind of enter the business and stabilise the business. As far as the engineered wood flooring is concerned, again it is slightly a niche category, we are the only producers in India at the moment, Again, the market potential can be quite attractive in the long term and clearly being the only producer in the country and with more homes, more residences coming up in the country with more growth happening up in the economy, you know with the whole economy potentially doubling over the next 7-10 years, the spends on the discretionaries spend will increase, disproportionate we believe and this will also have opportunities for the company in the future. As far as digital ad spend is concerned of last years Rs. 56 crore, I don't have the exact figure, but approximately you can assume of the Rs. 56 crore, 7%-8% will be you know digital spend of that Rs. 56 crores last year. Next question was related to the IT budget, so I think financial year 2023, so I will have Ashok give out the budget figure approximately as Capex and Opex, so CFO will respond to that question later on.

And then we had Prakash, I had a question list from Mr. Bhutani, should I, should I respond to that at this moment because he is not on the panel today, so what you suggest?

Prakash

Mr. Prakash Kumar Biswal:

Sir, I think he had joined.

Just now joined.

Mr. Saurabh Mittal: Right.

Mr. Prakash Kumar Biswal: Jyoti, please allow Mr. Bhutani to speak.

Ms. Jyoti Singh: Thank you, Sir.

Mr. Bhutani ... Mr. Bhutani ...

Mr. Saurabh Mittal: Sir, awaaz nahi aa rahi aapki Sir.

Mr. M.P. Bhutani: Hello.

Mr. Prakash Kumar Biswal: Mr. Bhutani, we are unable to hear you.

Mr. M.P. Bhutani: Hello, hello.

Mr. Prakash Kumar Biswal: Yes please.

Mr. M.P. Bhutani: Mujhe sunn paa rahe hain aap ?

Mr. Prakash Kumar Biswal: No we are finding it difficult to hear you properly. You have to unmute yourself Mr. Bhutani. You are in mute.

We cannot hear you properly Mr. Bhutani.

Jyoti, please move to the next speaker.

Ms. Jyoti Singh: Mr. Shripal ji is with us.

Mr. Shripal you are on the panel.

Mr. Shripal: Hello, aap mere ko sunn paa rahe hain

Mr. Saurabh Mittal: Ji ji.

Mr. Prakash Kumar Biswal: Sunn paa rahe hain.

Mr. Shripal: Main Shripal Singh Mohnot, Gurugram, Haryana se bol raha hoon. Aap sabko sadar pranam, sadar namaskar. Chairman sahab aapke direction mein Company ne amulaye 9 saalon mein bahut achchi tareeki ki, iske liye main aapko aur aapke poore Board ko bahut bahut badhai deta hoon. Aap Bharat ke pradhanmantri ji ka sapna Digital India banane mein bada yogdaan kar rahe hain, Company ki tareeki mein aapka yogdaan amulaye hai, aapke

achche shaasan aur prashasan ki wajah se Company nirantar pragati ki aur agrasar hai, aapka merger Himalaya Granite ka Greenlam mein hone jaa raha hai, karya pragati par hai, iska aane se kitna shudh laabh hoga humaari company mein aur kya hum wohi business karenge jo Himalaya Granite kar rahi thi kya aur isse kitna humaare business mein prabhav hoga aur aapke CFO sahab aur Company Secretary sahab bahut achcha kaam kar rahe hain, samay par Balance-Sheet aur Notice mil gaya hai tatha unke amulaye yogdaan ke liye main unka abhaar vyakt karta hoon.

Jai Hind, Jai Bharat.

Ms. Jyoti Singh:

Thank you, Mr. Shripal ji.

Mr. Prakash Kumar Biswal:

Jyoti, do we have any other speaker or should we move ahead ?

Ms. Jyoti Singh:

Sir, no other speaker shareholder.

Mr. Prakash Kumar Biswal:

So, I will request MD Sir, because we already have queries from Mr. Bhutani. Due to some technical issue, he couldn't speak.

Mr. Saurabh Mittal:

Yes.

No problem. Thank you, Prakash.

Thank you, Bhutani ji and Thank you Shripal ji.

So, Shripal ji, pehle aapka jawab de deta hoon main regarding jo merger hai HG Industries ka into Greenlam Industries, so HG industries ke site pe apne plywood ka production karenge and uski humne, maine announcement bhi kiya tha, 18.9 million sq mtr ki capacity hai and approximately 400 crores ka potential revenue rahega uss company se ya uss site se ya uss production capacity se, so that is on the plywood business.

I had a bunch of points from Mr. Bhutani, so I will respond them one by one. First point was, what steps have we taken to increase asset quality and capital improvement ? Our response basically is that our Current Assets in terms to Debtors management is one of the best, rather the best in the laminate industry and the inventory side clearly, like we mentioned in our speech, we had challenges on the import, export, logistics with lot of containers moving in, moving out, so I think just generally the inventory in value was a bit elevated, although inventory in days was still largely under control despite all the challenges. Then, we had a question on the impact on inflation and rupee depreciation on the margin range and steps on cost cutting and more cash generation, so as far as the rupee depreciation is concerned, the company does both imports and exports on the natural heads, so overall as a company there will be no meaningful or significant impact, either ways on the appreciation or depreciation of the currency and as far as the cost cutting matters are concerned, you know we have consciously we have always ran the factory and the company on

a very disciplined manner, you know as far as the cost are concerned, as far as the capital allocation is concerned in terms of debtor management and always we have prioritise cash flow over profits, so clearly nothing dramatic you know needs to be done because we already are moving in a certain direction and because of the new plants, you know new businesses being set up, there could be some additional you know some initial cost in the system. Then there was a point related to expansion and diversification, so we have also announced that already with the acquisition of this plant in Gujarat and two greenfields coming up in Andhra Pradesh and Tamil Nadu, so these have a capital outlay of about Rs. 1,000 crores and by FY23 and FY24 they should also come into production, so this also all data has been in the public domain, we have sent out these presentations, communications at the right time to all the necessary stakeholders. Regarding there was a matter related to question into the disputed case Vivaad to Vishwaas Scheme was launched, so this scheme was operative till 31.01.2020 and we do not have any material demand at that time on us, so really we don't have much issues related to disputes with authorities and regulatory departments. Then, there was a point related to present status of ROC, ROI, so we assume it is ROE and it is said EVA, so I assume EVA is Enterprise Value. So ROC FY22 ending was about 13.4%, ROE was 13.8%, Enterprise Value on March, may be CFO can give the exact figure and clearly as we also mentioned this in my speech that ROC etc. was considering new investments which have been done, so some amount of capital has been invested in the newer projects, certain amount of inventory is slightly on the elevated side because of the supply chain challenges. Then we had a point on how is company strengthened competitiveness related to its presence in industries faces margins in strength of its Balance-Sheet, so I think clearly it is again an ongoing process of promising the product category, expanding distribution, product development, you know reaching to more customers both domestically and internationally and clearly despite all the challenges we had last year, overall value terms Gross Margin, EBIDTA value, you know in value terms have expanded and we had 2 Covids and we also had a disruption of the Behror factory, so all this has been well communicated to our shareholders. We had a last question related to any significant bad debts and steps to reduce, so clearly our Balance-Sheet in terms of outstanding controls are very good rather and we don't have any significant bad debts.

So, I think these were the few questions I hope I have been able to respond to them in a reasonable manner. I will now ask Ashok, our CFO to respond to the Enterprise Value point and to the IT budget point Ashok ji.

Over to you Ashok ji.

Mr. Ashok Kumar Sharma:

Good Afternoon Chairman Sir, MD Sir and other Board of Directors and esteemed shareholder.

With regard to Mr. Vinay Bhide, question about the IT Budget, last year we spent close to around 0.8% in terms of IT expenses both capex and opex and this year our budget is around 1.1%.

And, next question of Mr. Bhutani, with regard to EVA, so our EVA as on March 2022, was 4,730 crore.

These were the questions.

Thank you, Sir.

Mr. Saurabh Mittal:

Thank you, Ashok ji.

Mr. Prakash Kumar Biswal:

Thank you, Saurabh Sir and Ashok Sir, for covering all the questions and answering them.

“Now, as advised by Chairman Sir, I will proceed with the businesses as set out in the Notice convening the 9th Annual General Meeting for consideration and approval of the members.”

There are only 3 ordinary business in the notice of the AGM.

The first item of business relates to adoption of the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the Audited Consolidated Financial Statements of the Company for the said financial year and the Report of the Board of Directors and Auditors thereon. The objective of this item is to comply with the requirements of the Companies Act 2013.

The Second item of business relates to declaration of final dividend of Rs. 1.20 per equity shares of Re. 1 each of the Company for the financial year ended March 31, 2022. The objective of this resolution is to declare final dividend for the financial year 2021-22.

As Chairman Sir is interested in Agenda No. 3 of the Notice, with consent of all the Members present and all the Board members, I request Shri Sandip Sir, Independent Director of the Company, to Chair the Meeting for this Agenda Item No. 3.

The third item of business relates to re-appointment of Mr. Shiv Prakash Mittal as a Director of the Company, who retires by rotation. The objective of this item is to comply with the requirements of Articles of Association of the Company and the Companies Act 2013.

E-voting facility for voting at the 9th AGM is open for the members present at the meeting and will also remain open for 15 minutes after conclusion of the Meeting.”

I would like to inform that, 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 9th AGM. I would also like to thank MD Sir for enlightening various important aspects of the business and prospects of the Company. I would also like to thank Sandip Sir for chairing the meeting for the Agenda No 3. I would also like to thank all the Directors, CFO, statutory auditors, secretarial

auditors, scrutinizer, RTA and all the shareholders for their participation. Mr. Vijay Kumar Chopra, Independent Director, will relinquish his office as a Director of Greenlam from the conclusion of this AGM. Our special thanks to Chopra Sir for his long association and guidance.

Thank you all once again.

Now I request the Chairman to declare the formal closure of this 9th AGM.

Mr. Shiv Prakash Mittal:

The 9th Annual General Meeting is now concluded.

Thank you very much.

Stay safe, stay healthy.