



GROWING TOGETHER

TRANSCRIPT – BIL 59TH AGM –30.06.2021

**TRANSCRIPT – BIL AGM – 59TH ANNUAL GENERAL MEETING
30th JUNE, 2021**

Dear Shareholders,

It is at 11:00 a.m. and time to start the Meeting.

I welcome all of you to the 59th Annual General Meeting of the Company.

This Meeting is held through Video Conferencing (VC)/Other Audio – Visual Means (OAVM) in compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The Company has taken all feasible steps to ensure that the shareholders are provided an opportunity to participate in the Annual General Meeting and vote.

Adequate videoconferencing facility and live webcast of the proceedings of this meeting have also been provided.

The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements in which Directors are Interested are available.

These will remain accessible to the members for inspection electronically, if they so desire.

I wish to introduce my colleagues on the Board of the Company:

- | | | |
|---|-------------------------|---|
| 1 | Shri Pannkaj Ghadiali | : Independent Director & the Chairman of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Business Responsibility Committee and Risk Management Committee |
| 2 | Shri. Sandeep Junnarkar | : Independent Director |
| 3 | Shri. Rajendra Hingwala | : Independent Director |
| 4 | Smt. Vijaylaxmi Poddar | : Non- Executive Director |
| 5 | Smt. Shruti Shah | : Independent Director |
| 6 | Shri. Rajiv Poddar | : Joint Managing Director |
| 7 | Shri. Vipul Shah | : Director & Company Secretary |

All Directors are present in the Meeting.

Mr. Madhusudan Bajaj, President and CFO and Mr. Natwar Thakrar representative of Statutory Auditor and also representative of Secretarial Auditor are also present at the Meeting.

Balkrishna Industries Ltd.

CIN No.: L99999MH1961PLC012185

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The requisite quorum is present and therefore I call the meeting to order.

The Notice dated 14th May, 2021 convening this Annual General Meeting and a copy of the Annual Report for the financial year ended 31st March, 2021, have already been circulated to members of the Company electronically.

With your permission, I shall take them as read.

The Auditors' Reports on the standalone and consolidated financial statements and the Secretarial Audit Report of the Company for the financial year ended 31st March, 2021 do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, the reports are not required to be read out, as provided in the Companies Act, 2013. However, with the consent of the Members present I take this as read.

Now, with your permission, I will begin my formal address to the shareholders.

Dear Shareholders,

As I stand before you today at the 59th Annual General Meeting (AGM) of Balkrishna Industries Limited – more popularly known as BKT, I have great pleasure to extend a very warm welcome to each and every one of you. This is the second consecutive year where I am unable to experience the intimacy and pleasure of a face-to-face interaction with our shareholders because of compelling reasons due to the ongoing pandemic.

In the same breath, I am happy to host you at the virtual format of AGM which has given an opportunity to several shareholders to participate in the AGM from the safety of their homes. On behalf of the Board of Directors, I want to thank you for sparing the time to join us. Your trust, confidence and support during the last six decades has made it possible for us to push the Company to greater heights in this industry and in particular in the Off Highway Tires segment. I do hope to see you in person at the next AGM.

The world is in the midst of an unprecedented crisis of this century and my heart bleeds thinking about the enormous pain and grief to mankind. Many amongst us must have borne the brunt of this pandemic and some have lost their near and dear ones. Today, I and the entire BKT team offer our heartfelt condolences to all those who have faced this loss and request all to observe a **minute of silence** in memory of the departed souls.

Today, at this difficult juncture I remember what my father and our founder Chairman – Late Shri Mahavir Prasadji who used to say, that when the going gets tough, the tough get going. With this spirit we at BKT have vowed to continue our march towards our vision.

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In order to continue moving ahead, at BKT we have prioritized the safety, security and health of our employees, workmen and all around us to the extent possible. The focus has been on educating them on self-discipline and adherence to all safety instructions and guidelines issued by relevant authorities as well as SOPs at offices, shop floor and their homes.

Your Company set up a massive vaccination drive for all employees, workmen and their families across its factories and offices administering over 12,000 doses; collaborated with hospitals and ambulance services, facilitated access to oxygen and medicines; and extended employee support through Covid Care Centers. Having most employees and workmen vaccinated creates a safe working environment.

Friends, I hope and pray that all our shareholders and their families remain safe and healthy and continue to take all precautions to protect themselves, their families and society as a whole.

*I now come to the **FINANCIAL RESULTS:***

Although the World and our country ended the financial year 20-21 on a rather unusual sense of uncertainty, your Company has had a healthy growth both in terms of the top line as well as the bottom line as you must have seen from the audited accounts circulated to you. I am sure the business performance and financial results have surpassed your expectations despite the difficult business conditions.

The Standalone Total Income of your Company was 17.65% higher at Rs. 5,919 crores as compared to Rs. 5,031 crores in the previous year. The Standalone Profit After Tax was 22.22% higher at Rs. 1,155 crores as compared to Rs. 945 crores in the previous year.

The Consolidated Total Income of your Company was Rs. 5,955 crores as compared to Rs. 5062 crores in the previous year. The Consolidated Profit After Tax (PAT) for the year was Rs. 1,177 crores as against Rs. 960 crores in the previous year.

Your directors had declared and paid interim dividends aggregating to **600%** (Rs. 12 per equity share) and have recommended a further **250%** (Rs. 5 per equity share) as Final Dividend for the financial year 20-21. The total dividend for financial year 20-21 works out to **850%** (Rs. 17 per equity share of Rs. 2 each) subject to approval of the same by the shareholders at today's meeting.

CURRENT YEAR SENARIO:

While a challenging 2020 has steered in a 2021 full of uncertainty, one thing is clearly evident: BKT is well-poised for another year of market-leading performance as the overall demand in replacement as well as OEM tires across the globe including India is encouraging for all segments which will drive volumes in the coming fiscal year. The Carbon Black produced by your Company which is mainly used for captive consumption and partly sold in the market is also very well accepted by the consumers. The

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increasing vaccination across the globe is one more reason to see light at the end of the tunnel and buoyancy in demand.

Over the last few years, the products of your Company have been very well accepted in the Global market. While the pandemic put this to test, the results we delivered, the resilience we have displayed and the brand strength that we have earned clearly shows how well-placed we are in challenging times. At the same time, on behalf of the Board, I want to assure you that we will not rest on our glories. On the contrary we will strive to achieve further market penetration.

Post Covid, India will emerge stronger. It will be a Better India, a Resurgent India and an Atmanirbhar Bharat in times to come. I foresee that the Indian economy will bounce back at a rate that will surprise the world. Prosperity and opportunity will be created for all 1.35 billion Indians on a scale never seen before.

PROJECTS:

All the expansion projects of your Company are progressing very well and the Greenfield Project at Waluj is expected to be completed in the next 3 months i.e. by 30th September, 2021.

CORPORATE SOCIAL RESPONSIBILITY:

More than the business achievements, it is the pleasure of giving that has brought me greater happiness. The CSR vision of your Company is to promote Education, Healthcare and Rural Development.

During the year, the Company was required to spend over Rs. 22.32 crores. The Company had identified various CSR projects and had spent an amount of Rs. 18.12 crores till March, 2021. The balance amount of Rs. 4.20 crores which was to be spent on an ongoing project could not be disbursed as the project was delayed during lockdown. Consequently, the unspent amount was deposited in a separate bank account in a Scheduled Bank as mandated and the entire amount has since been spent.

Our financial commitment towards Covid-19 relief was to the extent of Rs. 6.77 crores supporting community and frontline workers by way of distributing food grain packets, cooked meals, Masks, PPE kits, doctor's scrub suits and disposable bedsheets across India. This was possible by the relentless efforts of our staff who have risen to the occasion with a sense of purpose and national duty. Our entire organization has become energized with the spirit of service.

Lastly, I would like to express my sincere gratitude to my colleagues on the Board for their valued support in guiding your Company. I am deeply grateful to our employees for their abundant efforts and dedication in putting their work over and above their personal priorities. I would be failing in my duty if I do not express my indebtedness towards the Company's Bankers, Financial Institutions, Shareholders, Distributors, Customers and State Government of Maharashtra, Rajasthan and Gujarat for their confidence and continuous support.

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Dear Shareholders,

I am pleased to bring to your notice that, as required under the Companies Act, 2013 read with Rules and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company has extended the e-voting facility to the Members of the Company in respect of businesses to be transacted at the 59th Annual General Meeting.

The e-voting commenced at 9.00 a.m. on 27th June, 2021 and concluded at 5:00 p.m. on 29th June, 2021. Mr. G.B.B. Babuji, the practicing Company Secretary is appointed as the scrutinizer by the Board for scrutinizing the e-voting process.

Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system. Members may please note that there will be no voting by show of hands.

Now, I move all the Resolutions set out in the Notice of AGM and thereafter the Company Secretary will invite Members who have registered themselves as speakers to speak one after another. To avoid repetition, all the questions posted before AGM will be answered at the end of the Speaker session.

Item No.1: Approval of Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2021, together with Directors' and Auditors Reports.

Item No.2: Confirmation of Payment of Interim Dividends and to declare Final Dividend of ₹ 5.00 per equity share as Final Dividend for the financial year 2020-21.

I now request Mr. Pannkaj Ghadiali ji to take up further business.

Mr. Pannkaj Ghadiali: I move Resolution No.3 by way of Ordinary Resolution

Item No.3: "Re-appointment of Mrs. Vijaylaxmi Poddar (DIN:00160484) who retires by rotation and being eligible offers herself for re-appointment."

Further Mr. Pannkaj Ghadiali: I move Resolution No.4 by way of Ordinary Resolution

Item No.4: "Re-appointment of Mr. Arvind Poddar as Chairman & Managing Director of the Company."

Mr. Pannkaj Ghadiali: I now request the Chairman to take up the further agenda.

Chairman: Thank you Pannkaj bhai.

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Mr. Vipul Shah, the Director and Company Secretary, started inviting the Members who are registered as speaker for question and answer session.

Mr. Vipul Shah requested Mr. Dinesh Amrutlal Kotecha (Speaker) to proceed with his question, however no response received from him.

Further, Mr. Vipul Shah requested Mr. Satish Jayantilal Shah, Mrs Lekha Shah, Mr. Yunus Rangwala and Mrs. Vasudha Dakwe (Speakers) who have registered themselves as speakers.

Mr. Satish Shah and Mrs. Lekha shah expressed their views and sought clarifications on the Company's business operations and its future growth plans.

Mr. Yusuf Rangwala expressed his views and also state about the performance of the Company, Company's business operations and its future growth plans.

Further, Mr. Vipul Shah requested Mrs. Vasudha Dakwe (Speakers) who has registered herself as speaker, however no response received from her.

Mr. Vipul Shah also read the questions received from the Members through emails.

The Chairman answered all the questions/clarifications sought by the Members.

The Chairman thanked each and every shareholder on behalf of the Board, for their interaction and valuable comments and suggestions given by them.

The Chairman thereafter ordered voting at the Meeting electronically by the Members who had not voted in remote evoting and requested Shri Mr. G.B.B. Babuji, Scrutinizer to ensure an orderly conduct of the meeting.

The Chairman announced that the voting will continue to be available for the next 15 minutes.

The Chairman announced the resolutions, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes and further announced that the combined remote e-voting and e-voting at AGM, would placed on website of the Company, BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and M/s. KFin Technologies Private Limited.

The Chairman announced that as all the business as per Notice having been transacted and he therefore declared the proceedings as closed.

The Meeting concluded at 11:38 a.m.

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