



## **Transcript of Twenty Third Annual General Meeting held on 24<sup>th</sup> August, 2022**

**Speaker: Mr. Sunil Lalai – Company Secretary and Executive Vice President – Legal**

Good afternoon ladies and gentlemen,

I am Sunil Lalai, Company Secretary and Executive Vice President – Legal of Endurance Technologies Limited. I am pleased to welcome you all to the Twenty Third Annual General Meeting (“AGM”) of the Company scheduled today i.e. 24<sup>th</sup> August, 2022 at 2 p.m. Considering the fluctuating number of COVID-19 cases and circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, arrangements have been made for this AGM to be held through video conferencing in accordance with the Companies Act, 2013.

Mr. Soumendra Basu, Independent Director and Chairman of the Board of Directors, will Chair and conduct the proceedings of this Twenty Third AGM of the Company.

I would request Mr. Basu to commence the AGM proceedings.

**Speaker: Mr. Soumendra Basu – Chairman**

Thank You.

I welcome all shareholders attending this Twenty Third AGM of Endurance Technologies Limited. It is my privilege to address you all as the Chairman of this meeting.

Considering the re-emerging COVID-19 related infections, your Company has arranged this meeting through video conferencing in compliance with the notifications issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. I thank you all for joining us, virtually.

I truly appreciate your taking the time to attend the AGM.

We have 31 Members present in person (*a total of 43 Members attended the AGM*). The requisite quorum is present for the AGM. I, therefore, call the meeting to order.

I shall request your Board members to introduce themselves. May I now request Mr. Anurang Jain to kindly introduce himself.

**Speaker: Mr. Anurang Jain, Managing Director**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am the Managing Director on the Board of your Company.

**Speaker: Mr. Roberto Testore, Independent Director**

Good afternoon shareholders, I am attending this meeting from Milan in Italy. I am an Independent Director on the Board of your Company.

**Speaker: Mr. Indrajit Banerjee, Independent Director**

Good afternoon shareholders, I am attending this meeting from Bengaluru. I am an Independent Director on the Board of your Company and also serve as Chairman of the Audit Committee.

**Speaker: Ms. Anjali Seth, Independent Director**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am an Independent Director on the Board of your Company and also serve as Chairperson of the Nomination and Remuneration Committee, and the Stakeholders' Relationship Committee.

**Speaker: Mr. Ramesh Gehaney, Executive Director and Chief Operating Officer**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am Executive Director and Chief Operating Officer of your Company.

**Speaker: Mr. Satrajit Ray, Executive Director and Group Chief Financial Officer**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am Executive Director and Group Chief Financial Officer of your Company.

**Speaker: Mrs. Varsha Jain, Executive Director and Head – CSR and Facility Management**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am Executive Director and Head – CSR and Facility Management of your Company.

**Speaker: Mr. Massimo Venuti, Non-Executive and Non-Independent Director**

Good afternoon shareholders, I am attending this meeting from Turin in Italy. I am a Non-Executive, Non-Independent Director of your Company. I am in overall charge of the European operations of the Endurance Group. Thank you.

**Speaker: Mr. Anant Talaulicar, Independent Director**

Good afternoon shareholders, I am attending this meeting from Aurangabad. I am an Independent Director on the Board of your Company.

**Speaker: Mr. Soumendra Basu, Chairman**

Thank you. We also have the leadership team of the Company attending this meeting on video conference.

Our statutory auditors, S R B C & CO represented by Mr. Vikas Kutty, Partner along with his team members; and the Secretarial Auditor of the Company, Mr. Sachin Bhagwat are also attending this meeting through video conference.

We also have with us Mrs. Sarika Kulkarni, Practicing Company Secretary, the scrutiniser for the meeting.

I now request Mr. Lalai to take us through the regulatory matters and general instructions pertaining to the Twenty Third AGM.

Speaker: Mr. Sunil Lalai, Company Secretary and Executive Vice President - Legal

Thank you Mr. Basu.

I would like to inform you that the facility to join this Annual General Meeting through video conference has been provided to the Members on a first come, first served basis.

I will now, take you through certain procedural and technical aspects for participating in the Annual General Meeting.

To ensure smooth and seamless conduct of the AGM, all the Members who have joined this meeting are, by default, placed on mute by the moderator to avoid any disturbance arising from background noise. Once the question and answer session is open, names of speaker shareholder(s) shall be called out. Once the speaker's name is announced, he or she will be unmuted by the moderator to enable him or her to speak. Before speaking, the shareholder is requested to click the video icon appearing on the screen to switch on his / her camera. If for some reason the shareholder is unable to join through the video mode he or she can still speak using the audio mode. While speaking, we request the shareholders to use earphones so that they are clearly audible - this would also minimise any noise in the background. They are also requested to ensure that their Wi-Fi is not connected to any other device, no other background applications are running and proper lighting is available to have clarity for the audio and video. If there is any connectivity issue at the speaker's end, the host will mute such speaker and the next speaker will be invited. Shareholders are requested to limit their address to three to four minutes, and be slow and loud to enable us to understand the question being asked. During the proceedings, if any Member faces any technical issue, he or she may contact the helpline number given in the Notice of AGM.

This AGM is being held through virtual means pursuant to the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, and therefore physical presence of Members has been dispensed with. Accordingly, the facility for appointment of proxy is not available for the meeting. The Register of Directors and Key Managerial Personnel and their shareholding; the Register of Contracts, the Memorandum & Articles of Association of the Company, are available for electronic inspection by the Members.

Notice of this Annual General Meeting along with the Annual Report for the financial year 2021-22 containing the audited standalone and consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022 along with the reports of the Board of directors and Auditors thereon have been emailed within the statutory period to all the shareholders whose email IDs are registered with their respective depository participants or the Company or with the Registrar & Transfer Agent, Link Intime India Private Limited.

With the permission of Members, I now take the Notice of this Twenty Third Annual General Meeting and the Board's report which has been circulated to all shareholders, as read.

The Statutory Auditor's report on the financial statements of the Company and the Secretarial Auditor's report for the financial year ended 31<sup>st</sup> March, 2022 do not contain any qualifications, observations, comments or other remarks. These are

also being taken as read. As per the Companies Act, 2013 and the Listing Regulations of SEBI, the Company had provided facility for remote e-voting to the shareholders to enable them to cast their vote(s) electronically. As per the timelines in the AGM notice, the remote e-voting facility was provided for four days from 9 am on Saturday, 20<sup>th</sup> August, 2022 to 5 pm on Tuesday, 23<sup>rd</sup> August, 2022 i.e. till yesterday 5.00 pm. The shareholders who have not cast their vote during remote e-voting process and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM. Once the Chairman announces commencement of e-voting, the vote tab on the screen will be activated to enable such shareholders to cast their votes, they can vote by clicking on the vote tab. The results of e-voting along with the Scrutiniser's report shall be communicated to the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited, where equity shares of the Company are listed and will also be placed on the Company's website and on the website of Link Intime within two working days from the conclusion of the meeting. Voting Results shall also be displayed at the Registered Office of the Company. The Scrutiniser for the meeting, Ms. Sarika Kulkarni shall ensure that the e-voting process is conducted in a fair and transparent manner.

Now I will explain the five agenda items for approval of the shareholders as proposed in the Notice of AGM. Four items are of Ordinary business and one is of Special business:

- The first agenda item is bifurcated into (a) adoption of audited standalone financial statements and (b) adoption of consolidated financial statements, both for the financial year ended 31<sup>st</sup> March, 2022.
- The second item is for declaration of dividend of Rs. 6.25 ps per fully paid up equity share, for the financial year ended 31<sup>st</sup> March, 2022.
- The third item is for re-appointment of Mr. Satrajit Ray, Executive Director and Group Chief Financial Officer, who is retiring by rotation.
- The fourth item is for re-appointment of M/s. S R B C & CO LLP, Chartered Accountants, as Statutory Auditors of the Company for a second term of five consecutive years.

The agenda item of Special business is:

- Item no. 5 - Ratification of remuneration to Cost auditor.

These shall be taken up in detail by the Chairman. Information, as required to be mentioned as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and in the explanatory statement for the matters proposed under Ordinary and Special Businesses, is already set out in the Notice of AGM circulated to the Members. In case any Member wishes to seek any further clarification on any of the items, he or she may raise it during the Question and Answer session or send an e-mail to [investors@endurance.co.in](mailto:investors@endurance.co.in). I will now inform you of the sequence of events for the AGM.

- The Managing Director, Mr. Anurang Jain, will first address the shareholders and give an overview of the automotive industry scenario, the Company's performance for the year ended 31<sup>st</sup> March, 2022 as well as for the quarter ended 30<sup>th</sup> June, 2022.
- Thereafter, the Chairman will take up all the resolutions as set forth in the Notice and these will be available for e-voting, after it is announced.

- The meeting will then be open for shareholders to ask questions or express their views.

The moderator will facilitate this session once the Chairman opens the floor for question and answer. Shareholders who wish to raise any question may kindly use the 'chat box' provided on the screen. Alternatively, the Members may send their queries on email ID [investors@endurance.co.in](mailto:investors@endurance.co.in) and we will respond to them, suitably.

If we are unable to respond / attend to the questions of shareholders during the AGM, we shall email the response in due course.

Thank you and with this, I now hand over the proceedings to the Managing Director, and request him to kindly address the shareholders.

Speaker: Mr. Anurang Jain, Managing Director

Thank you. Mr. Lalai.

Good Afternoon!

Dear shareholders, Board members, and friends,

I extend a warm welcome to all of you at the Twenty Third Annual General Meeting of your Company. I would like to sincerely thank all our shareholders for their confidence and belief in Endurance.

It is indeed a pleasure to interact with all of you and to update and share the progress report of your Company for the FY 2021-22, and the first quarter of the FY 2022-23.

FY 2021-22 has been an extremely challenging year for your Company in an extremely complex and difficult macro environment. But, driven by our sound strategic approach and a robust business model, we have chartered path for the organization's future continued growth, while staying on course with our plans and targets. The auto industry faced the continuing Covid crisis and geopolitical tensions triggered by the Russia-Ukraine war, which badly impacted the supply chain during the year, and also triggered commodity price increases. The semiconductor shortage further hit the industry.

During the financial year 2021-22 (as per SIAM data), the two wheeler industry sales de-grew by 2.7% compared to the previous financial year. Scooters de-grew by 7.5% and motorcycles' sales remained the same as the previous year. The automotive industry in India had a growth of 1.7%.

In India, in the first quarter of FY 2022-23 (as per SIAM data), the two wheeler industry sales grew by 37.24% compared to first quarter of the previous financial year. Scooters grew by 87.86% and motorcycles grew by 24.24%. The automotive industry in India had a growth of 37.7%.

The two wheeler business is approximately 82% of the total Endurance India standalone business.

During the financial year 2021-22, there was a decline of 4.9% in the European Union automotive sales. Sales by our European subsidiaries had a growth of 5.1% in Euro terms.

During the first quarter of the financial year 2022-23, the European Union automotive sales saw a decrease of 16.4% in the volume of passenger cars sold, while sales by our European subsidiaries de-grew by 1.9% in Euro terms.

On the financials, I will briefly talk to you about the financial year 2021-22, and then about the first quarter of financial year 2022-23.

During the financial year 2021-22, as compared to the previous financial year, our consolidated total income grew by 15.4% from Rs. 65,777 million to Rs. 75,902 million. Consolidated EBITDA de-grew by 6.1% from Rs 10,709 million to Rs. 10,057 million. Consolidated EBITDA margin was at 13.2%. The Profit After Tax (“PAT”) de-grew by 11.3%, and was Rs. 4,607 million at 6.1% after considering the amount of Rs. 633.9 million received as mega project incentive under the package scheme of incentives from the Maharashtra State Government.

During the financial year 2021-22, our standalone total income grew by 19.5% from Rs. 47,866 million to Rs. 57,215 million. Standalone EBITDA grew by 1.1% from Rs. 7,451 million to Rs. 7,531 million with an EBITDA margin of 13.2%. The PAT de-grew by 2.7% and was Rs. 3,817 million at 6.7% after considering the amount of Rs. 633.9 million received as mega project incentive under the package scheme of incentives from the Maharashtra State Government.

I will now brief you on the financials of the first quarter of the financial year 2022-23.

During the first quarter of this financial year, our consolidated total net income grew by 24.2% from Rs. 17,064 million to Rs. 21,185 million, as compared to the corresponding quarter of the previous financial year. Consolidated EBITDA de-grew by 4.9% from Rs. 2,570 million to Rs. 2,444 million. Consolidated EBITDA margin was at 11.5%. The PAT grew by 7.1% from the previous year, and was Rs. 1,033.85 million at 4.9%. This included extraordinary expense of Rs. 102.85 million towards the voluntary separation scheme announced at one of the Company’s plants at Chakan, Pune, and income of Rs. 300.95 million from the Maharashtra State Government’s mega project PSI scheme incentive.

During the first quarter of current financial year, our standalone total income grew by 39.9% from Rs. 11,578 million to Rs. 16,201 million. Standalone EBITDA grew by 11.6% from Rs 1,596.4 million to Rs 1,782.2 million with an EBITDA margin of 11%. Standalone PAT grew by 42.5% and was Rs. 809.26 million @ 5%. This included extraordinary expense of Rs. 102.85 million towards the voluntary separation scheme announced at one of the Company’s plants at Chakan, Pune and income of Rs. 300.95 million from the Maharashtra State Government’s mega project PSI scheme incentive.

There was no consolidated net debt, and the Company had positive cash flow of Rs. 4,981 million.

We are happy to inform you that, in the financial year 2021-22, the credit rating agency – CRISIL has confirmed the rating for long term bank financing of AA+ with stable outlook. For short term bank financing, we have the highest rating of A1+.

We would like to mention that Endurance is focused in both its Indian and European operations for a profitable growth, and on growing higher than the industry.

The detailed financials are available with the stock exchanges and on the Endurance website.

I would also like to share certain key points for the financial year 2021-22 and first quarter of the current financial year:

1. In the financial year 75% of our consolidated total income including other income came from Indian operations, and the balance 25% came from our European operations.

In the first quarter of the financial year 2022-23, 76% of our consolidated total income including other income came from Indian operations, and the balance 24% came from our European operations.

2. In India, during the financial year 2021-22, new business of Rs. 7,450 million was won from OEMs other than Bajaj Auto, which included HMSI, TVS, Hero Motocorp and Royal Enfield.

New orders won also include non-automotive casting business of Rs 1,200 million for applications in gensets and for 5G telecom. This business will start in the current financial year.

In the first quarter of the financial year 2022-23, we have won new business of Rs. 4,040 million from OEMs other than Bajaj Auto, which included HMSI, Hero Motocorp, Ather Energy, Hero Electric and Tata Motors.

I would like to mention that in addition to the above, we have Rs. 16,320 million worth of 'Request for Quotes' from OEMs.

3. The Electric Vehicles ("EV") market continues to offer significant opportunity for growth to the auto component industry. It is estimated that the Indian EV market will touch USD 150 Billion by 2030, growing at a CAGR of 90% in the next decade. Therefore, at Endurance, we have taken a major step forward to harness this opportunity by executing a Share Subscription and Purchase Agreement for acquiring 100% equity share capital of Maxwell Energy Systems Private Limited ("Maxwell") in a phased manner. Endurance has acquired 51% stake of Maxwell in July, 2022. Maxwell is in the business of embedded electronics, particularly in the battery management systems (or known as BMS) for automobile EVs and battery packs.

We plan to leverage Maxwell's deep technical expertise and its experience in BMS deployment in India and Europe. We aim to offer our products to multiple new clients including Indian and overseas automotive OEMs, and manufacturers of battery packs. At present, Maxwell supplies to over 70 automotive OEMs and battery pack makers spread across 15 countries including India, France, Spain and USA. Since its inception, Maxwell has deployed over 65,000 smart BMS units in EVs and stationary storage systems,

and has active orders in the pipeline over 400,000 BMS units from OEMs in India and Europe. This includes orders from Hero Motocorp.

While EVs will be a big focus area for us in the coming years, we are also looking at scaling our growth in the conventional markets of India and Europe. The acquisition of 100% stake in Veicoli Srl, Italy (“Veicoli”), will help us expand our innovative solution offerings in the mobility sector in Europe, since Veicoli enables fleet operators to increase route efficiencies, enhance safety, optimise maintenance activity, and lower fuel costs. The acquisition is in line with our strategic focus on new, organic and inorganic growth, in both India and Europe by gaining access to new technology, backed by continued product innovation.

4. As you are aware, we have added a new high technology product - Driveshaft.

It is a high technology proprietary and an EV-agnostic product in an automotive application. A driveshaft transforms the torque generated from an engine through its transmission to the wheels. The application is for three and four wheelers, including some LCVs.

The launch of Driveshaft has opened an additional revenue stream for Endurance, and will lead to a significant business growth opportunity for Endurance in the future. We have won orders from Mahindra & Mahindra and TVS, and commercial supplies have started from July, 2022 onwards.

To help profitable growth of two-wheeler component in aftermarket business in Europe, we have acquired an Italian company, Frenotecnica Srl, Italy (“Frenotecnica”), in July, 2022. This company is involved in the business of friction materials and components for braking systems, like brake pads for two wheelers. In 2021, Frenotecnica had a sales turnover of Euro 3.6 million, with an EBITDA of Euro 1 million. The company has a renowned brand “Brenta” in the Aftermarket and replacement business. With this acquisition, and our earlier acquisitions of the two Italian companies viz. Adler and Grimeca in 2020, we want to create a centre of excellence in Italy, and grow in the premium components segment for two-wheelers. This acquisition has provided growth opportunities to the Endurance group in the Aftermarket, as well as access to in-depth know-how for production technologies of friction materials, especially for brake applications.

5. I would like to mention that Endurance is focusing on a more value add and profitable product mix in its future business, which includes:
  - a. Braking, suspension, and casting supplies to two and three wheeler EV OEMs and startups.
  - b. Brakes & clutch assemblies for 200cc+ motorcycles with help of our acquisitions viz. Adler and Grimeca in Italy in the year 2020. The 200cc+ motorcycles’ brakes business has already started, and the 200cc+ motorcycles’ clutch business will start in the fourth quarter of the financial year 2022-23.

Other product mix focus areas are:

- c. Paper-based clutch assemblies replacing cork-based clutch assemblies for motorcycles.



- d. Continuous Variable Transmissions or automatic clutch for scooters. We are at an advanced stage of testing with Hero Motocorp and expect to start supplies from the first quarter of the financial year 2023-24.
  - e. We will increase our Anti-lock Braking Systems (“ABS”) business for 150cc+ motorcycles with technology developed from our collaboration with BWI North America Inc. We have started supplies to Bajaj Auto and Royal Enfield.
  - f. We are increasing business of inverted front forks and adjustable rear mono shock absorbers for 200cc+ motorcycle segment. This is with the help of our collaboration partner, KTM AG. We are working with KTM to increase supply of high technology inverted front forks and rear shock absorbers for both on-road and also start with off-road motorcycles, and we have made a three-year plan for the same.
  - g. We are also focusing on fully finished machined castings for two, three, and four wheelers as compared to raw and semi-finished castings.
6. As ‘Disc Brake Assembly’ business is growing with addition of new business from Bajaj Auto, TVS, Royal Enfield, Yamaha, Hero Motocorp, and HMSI, we are increasing our plant capacity (supplies) of Disc Brake assembly from 285,000 brake assemblies per month to 570,000 brake assemblies per month, and discs from 375,000 nos. per month to 675,000 nos. per month. Our second brakes plant has been set up at Waluj, Aurangabad, to cater for this increase in volumes, and has started operations. By October 2022, we should be supplying 470,000 disc brake assemblies per month from both our brake manufacturing plants.
7. As you are aware, the supply of two-wheeler ABS assemblies to Bajaj Auto started in last week of September, 2021. Supplies of ABS assemblies have started to Royal Enfield from February, 2022 onwards. We plan to up-scale its production to 400,000 ABS assemblies per annum by September, 2022. The motorcycle ABS market in India is approximately 3 to 3.5 Million ABS assemblies per annum. We are in the process of clearing our Dual channel ABS also by end of this calendar year. This is a large business opportunity for Endurance.
8. We are also focused on supply of our products for two and three wheelers EVs. We have already started supplies of brake assemblies, suspension and aluminium castings for Electric scooters and three wheelers.
- Our focus is to supply our EV products to two and three wheeler OEMs, both existing and new.
- We have won business worth Rs. 4,840 million for EVs till first quarter of current financial year. This includes business win of Rs. 1,108 million from Ather Energy, Hero Electric, Mahindra Electric and Bounce.
- We are also focusing on E-bicycles business, especially for our suspension, BMS and brakes.
9. With increased orders from Bajaj Auto and Yamaha India, and new orders from TVS and Hero Electric, we have added a new plant at Chakan to help increase supplies from 240,000 Alloy Wheels per month to 320,000 Alloy

wheels a month. This plant started operations in July, 2022. Supplies to TVS also started in July, 2022.

10. As far as Europe is concerned, in the financial year 2021-22, we have won business worth Euro 71.4 million from Porsche, Daimler, CNH, BMW, and Stellantis. This includes a new order of Euro 40 million for transmission housings for mild hybrid, and full hybrid EV applications for Stellantis. This business will start in the second half of 2023.

In Europe, during the first quarter of the financial year 2022-23, the European subsidiary companies won new business of Euro 14.32 million from Daimler, Magna Lighting, Bosch and Stellantis.

I would also like to point out that Endurance is actively pursuing its focus on gaining access to new technology, and focusing on new product organic and inorganic growth, both in India and Europe.

11. I would also like to mention that Endurance has also entered into two backward integration product areas, which are also import substitutes:
  - a. First is the manufacturing of aluminium forging axle clamps required for our inverted front forks. Endurance has entered into a technical collaboration with FGM, Italy, and supplies have started at our Aurangabad plant from April 2022 for Bajaj Auto, and direct exports to KTM.
  - b. The second product is wire steel braided hoses, for ABS applications for mid and high end motorcycles. The supply has already started, last year.

Both above projects will help us in our future profitable growth.

12. In the financial year 2021-22, our Aftermarket sales grew by 35% from Rs. 3,116.2 million in the previous year to Rs. 4,212.3 million.

During the first quarter of the financial year 2022-23, the Aftermarket sales grew by 53.75% to Rs 963.19 million from Rs. 626.47 million in the corresponding quarter of the previous financial year.

We are exporting our aftermarket parts to 31 countries, and are adding four more countries in this year.

Aftermarket sales growth is a large focus area for us.

13. The export sales for India, on standalone business, increased by 22.15% from Rs. 1,849.6 million in the financial year 2020-21 to Rs. 2,264.8 million in the financial year 2021-22.

In the first quarter of the financial year 2022-23, the export sales increased by 11.88% to Rs. 404.8 million from Rs. 361.8 million in corresponding quarter of the previous financial year.

14. On the environment front, I would specially like to mention that Endurance is striving to become carbon neutral in its plants by effective use of solar power and wind power, creating carbon sinks by driving tree plantations, creating dense forests, and driving use of Natural gas and LPG in place of electric power and furnace oil.

We are also focusing in lowering hazardous waste generation, and to achieve zero waste to landfill.

At Endurance, it will be our continuous endeavor to grow through organic and inorganic growth, with a focus on technology upgradation, quality improvement, cost, and environment, health and safety. We will do our best to fulfil all our stakeholder expectations by following our five values of customer centricity, integrity, transparency, teamwork and innovation.

In conclusion, I would, on behalf of our Management and the Board, like to thank all the shareholders, clients, supply chain partners, technology partners, as well as our teams for their continued confidence and sustained support to Endurance.

Thank you and with this, I now hand over the proceedings to the Chairman, Mr. Soumendra Basu and request him to conduct further proceedings of the meeting.

Speaker: Mr. Soumendra Basu, Chairman

Thank you, Mr. Jain. I will now read out the matters forming part of the Notice of Annual General Meeting:

- Item no. 1(a) – for adoption of audited standalone financial statements along with the reports of the Board of directors and Auditors thereon for the financial year ended 31<sup>st</sup> March, 2022;
- Item no. 1(b) – for adoption of consolidated financial statements along with report of Auditors thereon, for the financial year ended 31<sup>st</sup> March, 2022.
- Item no. 2 is relating to declaration of dividend of Rs. 6.25 ps per share of face of value of Rs. 10 each fully paid up, for the financial year ended 31<sup>st</sup> March, 2022.
- Item no. 3 is relating to the appointment of a director in place of Mr. Satrajit Ray, who is retiring by rotation and, being eligible, has offered himself for re-appointment.
- Item no. 4 is for re-appointment of M/s. S R B C & CO LLP, Chartered Accountants, as Statutory Auditors of the Company for a second term of five consecutive years, from the conclusion of Twenty Third AGM till the conclusion of Twenty Eighth AGM.

AND

- Item no. 5 of Special Business is for ratification of remuneration to the Cost Auditor, to be passed as an Ordinary Resolution. Remuneration of Rs. 450,000 is proposed to be paid to Mr. Galande, Cost Auditor of the Company for the FY 2022-23.

E-voting is now open and Members may please go to the page of Instameet website of Link Intime and cast their vote, and at the same time watch proceedings of the meeting. The e-voting facility will remain open up to 15 minutes after the conclusion of this meeting to enable Members cast their vote. Instructions for casting vote electronically during the Annual General Meeting, forms part of the Annual General Meeting Notice.

I also invite the shareholders to ask questions, if any, or express their views on the performance and operations of the Company.

Speaker: Moderator

Thank You, Sir. We have with us the first speaker of the event, Mr. Vinod Agarwal. Mr. Vinod, kindly enable your video and you may ask your question.

Speaker: Mr. Vinod Agarwal, Shareholder

Good afternoon, Mr. Soumendra Basu, Chairman, Mr. Anurang Jain, Managing Director, Mr. Satrajit Ray, Director and Group Chief Financial Officer, and Mr. Sunil Lalai, Company Secretary and Executive Vice President – Legal. I have voted for all the resolutions, sought to be passed in today's AGM. Sir, last year despite the pandemic situation when overall vehicle sales including two, three and four wheeler sales were down, the Company posted increase in revenue. The Company gave a commendable performance despite adverse implications of chip shortage and de-growth in the automobile industry. You posted a fantastic consolidated revenue of ~ Rs. 7,500 crore and added ~Rs. 1,000 crore, which was about 15% higher than the previous year.

Sir, you also reduced your long term debt by Rs. 161 crore and short-term debt by Rs. 32 crore – overall debt reduction in the past year on a consolidated basis was Rs. 193 crore. The finance costs have also come down, substantially.

I have also noted from the Annual Report that we have added a complimentary product – driveshaft and you have acquired Maxwell Energy Systems Private Limited. This will be embedded... would 'embedded' mean that the technology would be on 'real time basis'. Would there be some chip embedded on the battery system which will enable real time information on the performance of the battery – so that we get to know real-time information on battery electronics...for the Maxwell battery management system, like how much battery is consumed and related information. Would real-time mean that we will have data / information relating to the battery available on real-time basis, which only comes through embedded chips or similar technology. This is my first query.

You are focusing on EVs for the future...that is good, Sir. Most of your products are EV-agnostic, the parts that you make. Going forward, it will be shock absorbers for 250+cc motorcycles, which is also very good, Sir. You have also opened a new plant in Chakan, that also I noted Sir. You have got new orders from Hero Motocorp, Ather and Mahindra EV, I hope the Company will keep on doing better in the coming years. It will surpass the pre-pandemic levels in profits.

I hope that the Company comes out with a bonus now, Sir. The stock price is normally around Rs. 1,500 per share. It can be sub-divided or it can come up with a bonus because it has been around ~8/10 years that you came up with a public issue and it has remained same, Sir.

I am signing off now...and I wish the Company all the best. Thank you.

Speaker: Mr. Soumendra Basu, Chairman

Thank you!

Mr. Jain, would you like to respond to the queries or nominate any of the other directors to do so?

Speaker: Mr. Anurang Jain, Managing Director

I think, I would like to respond.

I would like to first thank Mr. Vinod Agarwal for his confidence in the Company. I think that it is very important to keep our shareholders satisfied and happy.

Like he rightly said that the focus is, of course, apart from our existing four product areas is on embedded electronics and that's why we have gone ahead and acquired Maxwell Energy. Their major product is Battery Management System ("BMS"). They have new products coming up which are right now for two and three wheelers, and we plan to come up with four wheeler BMS, also...and even telematics, sensors. So, we have a lot of products and these are for EV as well as for non-EV application. But, of course, EV will be our major focus area.

As far as your question on chips is concerned, there are chips which are there in the BMS. What a BMS does is, it estimates the state of charge... the state of health, the state of power and it also estimates the state of energy. So it is an online system, to answer your question. So it is online and it is also very important when you see all these two wheelers catching fire...the BMS is the part which avoids such fires / incidents taking place by giving the warning at the right time. So, I hope that answers your question.

What was the second question?

Speaker: Mr. Soumendra Basu, Chairman

He made a suggestion about a possible bonus issue of shares now that the Company is doing well.

Speaker: Mr. Anurang Jain, Managing Director

Okay, so this is something...to be honest, we have not thought about it yet. But, we will have an internal review for the future.

Speaker: Moderator

Thank you, Sir. With this we come to the end of the speakers' section.

Now, we handover the proceedings to Mr. Sunil Lalai. Over to you, Sir.

Speaker: Mr. Sunil Lalai, Company Secretary and Executive Vice President - Legal

Thank you.

If any of the shareholders wish to raise any questions or express their views, they may please post it in the chat box and we will take this up, now. We will wait for a couple of minutes, if at all any shareholder wants to raise any question.

Speaker: Mr. Soumendra Basu, Chairman

Yes, fine with that.

*(A pause of 2 minutes)*

Speaker: Mr. Sunil Lalai, Company Secretary and Executive Vice President - Legal

I would like to ask the moderator if there are any questions forthcoming, or are there any speaker shareholders in the queue.

Speaker: Moderator

Sir, there is no question in the chat box nor are there any speaker shareholders.

Speaker: Mr. Sunil Lalai, Company Secretary and Executive Vice President - Legal

Okay. Since there are no questions, I would request the Chairman to conclude the meeting.

Over to the Chairman, thank you.

Speaker: Mr. Soumendra Basu, Chairman

Thank you, Mr. Lalai.

I hereby authorise the Company Secretary to accept, acknowledge and countersign the Scrutiniser's report and declare the consolidated results of remote e-voting and e-voting conducted at the Annual General Meeting.

I also want to thank each one of you for your presence and support at the meeting. I also thank the directors and other invitees for joining the meeting.

I now close the proceedings of the Meeting, as there is no other business to be transacted.

I wish good health to all our shareholders and associates. Please stay safe.

Speaker: Mr. Anant Talaulicar, Independent Director

Chairman, allow me to offer vote of thanks to you on behalf of the shareholders and the Directors for having conducted a very smooth and efficient meeting.

Over to you, Mr. Lalai.

Speaker: Mr. Sunil Lalai, Company Secretary and Executive Vice President - Legal

Thank you.

Thank you to the Board members and all the shareholders.

The meeting is now concluded and the e-voting will remain open for 15 more minutes from the conclusion.

Thank you and stay safe!

Thank you so much!

.....*End of Transcript*.....