

GREENPANEL INDUSTRIES LIMITED
TRANSCRIPT OF 6TH ANNUAL GENERAL MEETING

Date: June 27, 2023

Time: 11.00 A.M. To 12.28 P.M. IST

Directors & Key Managerial Personnel Present:

Mr. Shiv Prakash Mittal, Executive Chairman

Mr. Shobhan Mittal, Managing Director & CEO

Mr. Mahesh Kumar Jiwrajka, Independent Director & Chairman of Stakeholder Relationship and Corporate Social Responsibility Committees

Mr. Salil Kumar Bhandari, Chairman of Audit and Nomination and Remuneration Committees

Mr. Arun Kumar Saraf, Independent Director

Ms. Shivpriya Nanda, Additional Independent Director

Mr. Vishwanathan Venkatramani, Chief Financial Officer

Mr. Lawkush Prasad, Company Secretary & AVP - Legal

Invitees Present:

Mr. Sunil Wahal, Partner of S.S. Kothari Mehta & Company, Statutory Auditors

Ms. Binita Pandey, Partner of M/s. T. Chatterjee & Associates, Secretarial Auditor

Mr. Dilip Kumar Sarawagi, Scrutinizer

Mr. Lawkush Prasad: Good Morning everyone

I, Lawkush Prasad, Company Secretary of Greenpanel Industries Limited, welcome you all to the 6th Annual General Meeting of the Company.

The 6th Annual General Meeting of the Company is being held through video conferencing and other audio-visual means, in accordance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The facilities to join the annual general meeting through videoconferencing (VC) and other audio-visual means (OAVM) is made available to the shareholders on a first-come, first-served basis. For smooth and seamless conduct of the annual general meeting, the audio of the shareholders will be kept muted, and their video will be kept off.

The company has provided an opportunity to the shareholders of the company to express their views and ask questions during the annual general meeting by registering themselves as a speakers. It may be noted that the company reserves the right to limit the number of shareholders who answer their questions depending on the availability of time.

After Chairman Sir completes his deliberations, the shareholders who have registered themselves as speakers for the meeting shall be provided the opportunity to speak one by one. All the queries from the shareholders shall be answered in one go. The shareholders are requested to limit their speech to three minutes. Participating shareholders are requested keep their space well lighted, noise-free, speak loudly, and limit their internet connection to participating devices only for an uninterrupted and seamless experience.

Mr. Rajeev Ranjan of Link Intime India Pvt. Ltd. is the moderator of the meeting. The moderator will enable the speaker shareholders one by one to speak. If any audio or video failure is experienced at the shareholder's end, then the next shareholder shall be invited to speak. If any shareholder faces any technical issue during their turn, he may be invited again once the other speaker shareholder completes their speech. Please note that the proceedings of the meeting is being recorded.

If any shareholder experiences any technical issue while joining the annual general meeting or casting their vote electronically, they may contact the helpline number given in the notice of the annual general meeting.

As per Article 44 of the Articles of Association of the Company, the Chairperson of the Board shall preside as Chairperson at every general meeting of the Company. The Chairman of the Board, Mr. Shiv Prakash Mittal, is present, and therefore he will preside over the 6th annual general meeting of the company.

As per attendance at the beginning of the meeting, there are 43 shareholders are present, therefore, the meeting is duly convened, constituted, and is in order.

Now I request chairman sir to address the shareholders.

Mr. Shiv Prakash Mittal: Good morning Ladies and Gentlemen,

A warm welcome to the 6th Annual General Meeting of Greenpanel Industries Limited. It's our pleasure and privilege to have you at the Annual General Meeting.

Before we commence the proceedings, let me introduce the board members of the company and other invitees who have joined the meeting from their respective offices and residence.

Mr. Shobhan Mittal, Managing Director, and CEO

Mr. Salil Kumar Bhandari, Chairman of the Audit and Nomination and Remuneration Committees

Mr. Mahesh Kumar Jiwrajka, Chairman of the CSR and Stakeholders Relationship Committees

Mr. Arun Kumar Saraf, Independent Director and

Ms. Shivpriya Nanda, Independent Director

We are also joined by:

Mr. Vishwanathan Venkatramani, our CFO

Mr. Lawkush Prasad, Company Secretary

Mr. Sunil Wahal, Partner of M/s. S. S. Kothari Mehta & Company, Statutory Auditors

Mr. Deepak Gupta, Director of M/s. S. S. Kothari Mehta & Company, Statutory Auditors

Mr. Tarun Chatterjee, Partner of M/s. T. Chatterjee & Associates

Ms. Binita Pandey, Partner of M/s. T. Chatterjee & Associates, Secretarial Auditor, and

Mr. Dilip Kumar Sarawagi, Scrutinizer

I have this opportunity to appraise you on the performance of your Company and the environment in which it operates. I am pleased to inform you that Fiscal 2023 has been a year of growth. The year 2023 was marred by three powerful challenges – Russia’s invasion of Ukraine, widening inflation impacting the cost of living, and a slowdown in China caused by the strong Zero Covid policy adopted by the Chinese government. Despite these challenges, a number of economies across the globe showed signs of resilience. For Greenpanel, there has been an upward revision in business volume, largely owing to increasing domestic demand of medium-density fiberboard (MDF) products. During the year there has been an increase in demand for the real estate projects which has created an increase in demand for building materials including MDF. The shift of human interest toward the environment and hygiene continued to create a good market for MDF products in India. The global Medium Density Fibreboard (MDF) market size was valued at USD 26,213.85 million in 2022 and is expected to expand at a CAGR of 3.3 % and touch USD 31,934.43 million by 2028.

I am pleased to present the performance of the company for the financial year 2022-23 in relation to the fiscal year 2021-22, as follows:

- Revenue from operations increased by 9.75%, from Rs. 1624.43 crores to Rs. 1782.60 crores.
- Export revenues increased by 6.6%, from Rs. 232.05 crores to Rs. 247.45 crores.
- Net profit increased by 6.67%, from Rs. 240.47 crores to Rs. 256.61 crores
- EPS increased from Rs. 19.61 to Rs.20.92.
- The debt-equity ratio improved from 0.30 to 0.16. The Company continued to maintain Net Debt Free Status throughout the year.
- The net working capital cycle increased from 16 days to 17 days

The demand for ready-made furniture manufactured with engineered panels like MDF is growing rapidly. Demand for personalised furniture and MDF products is expected to rise further due to the shift of focus toward hygiene. Your company is trying to increase the market share of high-margin products. Growing customer awareness, brand consciousness, and a plethora of choices at the disposal of consumers are encouraging product innovation and quality focus from the organised players.

As the largest MDF manufacturer in India, we have always believed in the power of innovation, hard work, and perseverance to overcome any obstacle. However, improving import conditions, availability of containers, and cheaper imports led to supply abundance during the year, resulting in challenges for the domestic players. Besides, the increase in input prices, driven by global supply chain disruptions and growing energy prices, led to an adverse impact on the margins. The surplus supply scenario also made it difficult for the industry to

pass on the price increase to consumers. New entrants in the MDF business are likely to make the domestic business more competitive.

We are exploring new and untapped Central and North-East domestic markets and increasing our presence in the Middle East and Southeast Asian markets. Our multi-geography manufacturing presence helped us cater to these geographies. During the year under review, we were accredited with Two Star Export House status by the Government of India.

During the year under review, the company initiated a brownfield project of expansion of the installed capacity of MDF with an annual capacity of 2,31,000 CBM per annum in the plant situated in Chittoor district of Andhra Pradesh. The commercial production of the above project is expected in Q1 FY 2025. We are proud to announce that the new MDF plant is being procured from Dieffenbacher, Germany.

Our strong commitment to financial discipline and year-on-year performance growth has translated into an upgrade of our external credit ratings by CARE Ratings Limited and ICRA Limited. Long-term borrowing was upgraded to CARE A+ / [ICRA] A+ and short-term borrowing was upgraded to CARE A+ / CARE A1+ / [ICRA] A1+.

Corporate Social Responsibility has been a key part of our business journey since inception. We have been taking multiple initiatives to drive holistic development of the communities we work around. Our intervention initiatives include health, education, and livelihood. We have helped 846 farmers from 339 local villages in doing plantation on 13,710 acres of land which will yield approx. 3.91 lakhs MT agroforestry wood in a cycle of 3 years (twice); 54.25 lakhs saplings have been distributed amongst the farmers within a 30 km local area and 102.62 lakhs saplings distributed beyond a 30 km radius of Greenpanel's plant. Apart from clonal plants developed by the company in its in-house mist chambers, we have also tied up with ITC and other nurseries for supplying high-quality saplings to the farmers. In order to provide better infrastructure facilities to the students, 3 schools in Udham Singh Nagar in Uttarakhand have been renovated, under the CSR program. Additionally, benches and boards have been provided to the schools situated in Chittoor district, Andhra Pradesh for improving education facilities besides other projects. During the year under review, the company has spent an around of Rs. 231.61 lakhs on its CSR activities as against the budgeted allocation of Rs. 268.88 lakhs, and an unspent amount of Rs. 37.27 lakhs on ongoing projects has been transferred to a separate bank account opened with a scheduled bank, and the same will be utilised in ongoing CSR projects within the next three financial years.

Further driving brand visibility has been one of the key focus areas for us. The Company was associated as a principal partner with the Indian Premier League franchise, Delhi Capitals for three years and with Pretoria Capitals. We have also launched a TV commercial, "Greenpanel - MDF ka doosra naam"

Your company's outlook remains favorable on account of its product integration capabilities, the growing demand for MDF as an economic substitute for plywood, and the continuous support from its employees, shareholders, bankers, vendors, consumers, distributors, dealers, and government agencies. We expect to enhance our revenues, liquidity, profitability, and sustainability and emerge stronger in the future.

All these achievements would not have been possible without the support of all the stakeholders including our employees, customers, distributors, lenders, and other stakeholders including the Government and the shareholders. I would like to take this opportunity to thank all for their trust, commitment, and support. I am confident of consistently outperforming in our sector and creating sustainable value for our stakeholders.

Further, I am interested in item 3 of the agenda of the 6th Annual General Meeting, and accordingly, I will not chair the meeting to transact the above business.

Thank You,

Now I request Mr. Lawkush Prasad, Company Secretary, to continue with the rest of the proceedings of the meeting.

Mr. Lawkush Prasad: Thank you Chairman Sir for enlightening us with the performance and the future plans.

Now, the shareholders, who have already registered themselves as a speakers, will be allowed to speak and raise queries, if any. To avoid repetition, all the queries from the shareholder will be answered in one go.

I request the moderator invite the speaker shareholder to speak and raise their query. The speaker's shareholders are requested to mention their name and location from where they have joined the meeting before the start of their speech.

Mr. Rajeev Ranjan: Thank you, sir. Our first speaker for the event is Mr. Yusuf Rangwala currently not present on the Webex panel. So we move on to our next speaker Mr. Lokesh Gupta. Mr. Lokesh, please put your speaker on.

Mr. Lokesh Gupta: Hello, kya ap mujhe sun pa rahe hain?

Mr. Rajeev Ranjan: Yes Sir, you are audible.

Mr. Lokesh Gupta: Sir, Me Lokesh Gupta, Chairman Sir, apka and sabhi board member ka Swagat karta hun. Sir me delhi se is meeting me juda hun. Apne chairman speech me company ke baare me bataya, iske baad kuch puchne ka bachtai nahi hai. Sir, humari 2010 se jo journey suru hui hai, 2022 me hum one billion US Dollar ki achievement paya hai. Sir, hum alag alag chizon me kaam krte hain, Sir ab wo chahe affordable ho, chahe luxury housing ho, humari sarkar bohot badhawa de rahi hai. Wahan kis tarike ki demand hum dekh rahe hain, thoda is baare me hume bataiye.? Sir, aur current financial year and next financial year pe koi guidance ap agar de paye toh ap jarur dijiye. Sir, apki leadership pe hume biswas hai, kuch v problem hogi, apki leadership me hum jarur kamyabi prapt karenge aur hamari company nayi uchaiyan chuyengi, jo humari balance sheet me reflect hogi aur hume healthy dividend bhi

milega. Sir ek acha mode hume mila hai, jisme hum is meeting me jud pa rahe hain. Aur bhabishya me AGM ko isi VC mode me karenge toh acha rahega. Lawkush Prasad ji, Company Secretary, jitni baar vi mene unhe call kiya ki mujhe kis tarah join karna hai, inhone link provide karaya, aj morning tak wo mere sampark me the. Unke liye jitni taarif ki jaye kam hai. Aur baaki hum aj bhi shareholders hain kal bhi rahenge aur aagey bhi company ke saath jude rahenge aur company hume healthy return deti rahegi. Dhanyabad sir.

Mr. Shiv Prakash: Thank You.
Mittal

Mr. Lawkush Prasad: Thank you, Sir.

Mr. Rajeev Ranjan: Thank You, Mr. Lokesh. Our next speaker for the event is Mr. Alok Kumar Pal. Mr. Alok, kindly unmute yourself and you may ask your question.

Mr. Alok Kumar Pal: Sir, sunai de raha hai?

Mr. Rajeev Ranjan: Yes, you are audible, sir. Kindly ask your question.

Mr. Alok Kumar Pal: Good morning everybody. Myself A.K. Pal. It is great honour and and privilege to me That I am a part of this 6th annual general meeting. I extend my heartfelt gratitude to our beloved company secretary. Mr. Prasad, for his dedicated and excellent investor service. Investor service of secretarial department is truly remarkable and praise worthy. I profoundly touched by Mr. Prasad' sincerity, kindness and hospitality. I always cherish his charming personality and investor friendly attitude. I also congratulate board of directors for higher revenue and handsome dividend. Now sir, I have general and specific question. First general question, it has been 6 years from the formation of the Greenpanel and its transformational journey. Can you begin by giving us an outline of this progress made. MDF Company has faced numerus challenge due to various external factor and the rural demand challenge. How did you cope? The next question, how did all of this translated into overall business and financial performance? Sir, how is this sales and distribution expenses on agenda coming along and what's next? Sir, what are your plan for the international business? What are the sustainability goals and initiative of green panel? What progress has been made in this area? How are you strengthening the team and culture? And finally, what are your key parities going forward? Sir, some specific questions. Sir company has 4 independent director. Sir, who is the lead independent director? And Sir, Company has 8 Bankers, which bank is lead banker? What is the attrition rate of employee? Have you done safety audit? And our company's sustainability account, social accountability 8000 certified like other company? Have you done energy audit? And our Energy system ISO 15

1001 certified? Sir, page 119, market data, sir I request, please add 1 column that is volume, so shareholder can know liquidity of our share in stock market. Sir, page 156, Fixed Asset, I found some addition in plant and equipment, sir, which location this plant and equipment added? Sir, any revaluation in any fixed asset in last six years? And sir, I found your page 69, power and fuel costing increased about 40%, Sir, I like to know what is the part of renewable energy, that is non convertible energy? Sir, have you done customer satisfaction service? if you done, What is the scope? In this regard, I also like to know. Have you done investor satisfaction service, what is the result? And last question are you using artificial intelligence and industrial Internet often? And our cyber security system ISO 27000 certified or not? thank you for patient hearing.

Mr. Rajeev Ranjan: Thank you Sir. Our next speaker for the event is Mr. Sujan Modak.

Mr. Sujan Modak: Yes, you can hear me sir? Hello, you can hear me sir ?

Mr. Lawkush Prasad: Yes, you are audible, Mr. Modak, you can continue.

Mr. Sujan Modak: Okay, good morning. Respected Chairman other board of directors, I am Sujan Modak equity shareholder. Sir I'm joining this meeting from my residence in Kolkata. So, if we see the performance of our company, it is very nice performance this year. Our revenue has really gone up our PAT is also very nice. Sir, our exports have also jumped up. You have given dividend also, 150%. That's very good Sir. More importantly, our companies is debt free company. Mittal ji, ap jaise company chala rahe hain sir, bohot hi acha hai. As a shareholder, humlog sir sach me bohot hi khus hain. Ap aise hi chalate rahiye, hum apke saath humesa rahenge. Sir, A.K. Pal mere pehle jo bole hain, wo already bohot saare questions kar liye hain, wo jawab de dijiye, satisfaction ho jayega. I have got the annual report, very nicely printed and good annual report, so it's not much things I have to ask. what I would like to tell you, our management is very strong and result oriented management and taking good steps and nicely doing itself. Sir, what is the road map for next 2 to 3 years if you can please tell us and the guidance you are giving for the next year for the investors community, as an investor I'd like to definitely know that sir. And sir, since our company is doing very good, what are the steps you are taking to keep this growth sustainable? That is a question sir. So, one last question I have got, sir. Page number 88 point no. 11, work related injury. We have got total 35 (11+24) in FY 2022-23. Sir, what is the reason? Is it a human error or any material failure? If you can please tell us? If it's not a problem, it will be nice, and what are the steps you have taken so that it should not happen again. Sir ek choti si request thi sir, if possible, sir thoda office me agar bulayege, thoda apke samne baith k baat kare toh acha rahega, if possible for you. Aur before I finish, I'd like to definitely say that our company's secretary, Lawkush prasad ji and his team is being very good

to investor services to the investors community. Lawkush Ji, I'd like to take this platform to say, thank you and namaskar, Lawkush Ji, definitely, Lawkush Prasad Ji jaise kaam kar rahe hain, I can definitely tell you that he is one of the very valuable officer of our company. Nothing to add more sir, over to you for further proceedings Thank you.

Mr. Lawkush Prasad: Thank you, Modak Ji.

Mr. Rajeev Ranjan: Thank you Sir. Our next speaker for the event is Mr. Subhash Kar. Mr. Subhash?

Mr. Subhash Kar: Am I audible?

Mr. Lawkush Prasad: You are audible Mr. Kar. You can continue.

Mr. Subhash Kar: Good Morning Everyone. Respected Chairman and other board of directors and my online fellow shareholders. Myself Subhash Kar joining from Kolkata. My special thanks, to respected company secretary and his team for sending annual report well in advance and allowed us to speak on this platform. Sir, our company annual report is very colorful and informant. Our company has very good promoter holding 53.10% and paying healthy dividend, 150%. CSR activities are remarkable. I have already casted mine, e-voting in favour of all the resolution. Now, coming to my queries. Sir, if you put a number, how many distributors, We have for the full year as on FY23? Next, the margin in Q4, FY23, how should we look at FY24? I hope our company will do better in coming year under the leadership of our respected chairman. Thank you and wishing you all the best.

Mr. Rajeev Ranjan: Thank you Sir. Our next speaker for the event is Mr. Ravi Kumar. Mr. Ravi? you can ask your questions.

Mr. Ravi Kumar: yeah, am I audible?

Mr. Rajeev Ranjan: Yes, you are sir. Please ask your questions.

Mr. Ravi Kumar: Good morning, your management team and my dear colleague shareholders. First of all, I am very thankful to you for providing me the annual report and I am thankful to the management team and board of directors who have been doing commendable jobs and nothing to ask because most of the questions have been asked by other shareholders. I just, wish the company and your team, best of luck for your upcoming quarter. Thanks a lot.

Mr. Lawkush Prasad: Thank you, Mr. Ravi. We can call for the next speaker shareholder.

Mr. Rajiv Ranjan: Thank you sir. Our next speaker for the event is Mr. Devesh Jain. Mr. Devesh, kindly unmute yourself and ask you question ?

Mr. Lawkush Prasad: Mr. Devesh Jain, kindly raise your queries? Mr. Jain?

Mr. Rajiv Ranjan: Mr. Devesh, kindly ask your questions?

Mr. Devesh Jain: Hello.

Mr. Rajeev Ranjan: Yes, sir, you are audible. Kindly ask your questions. There seems to be some technical issues at Mr. Devesh Jain.

Mr. Lawkush Prasad: I think we can reconnect him after, like, other shareholders, other speaker, after completing their speech and queries.

Mr. Rajeev Ranjan: Our next speaker for the event is Mr. Tarak Chakraborty. Mr. Tarak?

**Mr. Tarak:
Chakraborty** Hello.

Mr. Rajeev Ranjan: Sir, you may ask your question now. you are audible.

**Mr. Tarak:
Chakraborty** Good Morning, Mr. Chairman, board of directors, present fellow shareholders. I, Tarak Nath Chakraborty connected from Calcutta. our chairman, board of directors and Mr. Prasad, the company secretary are very efficient persons. I observed your annual report for 2022-23, in the accounts section, the ink used is very light. Please use deep colour in the coming years, that will be easy for reading. Many speaker have covered various questions, I have some queries. Please give a financial highlights in the annual report. I expect sir, in coming year, you will pay dividend 200-300%. In schedule no. 33, in other expenses, the miscellaneous expenses are to higher than last year. Please try to control the cost in the coming years. Sir, last thing I request you to have a physical meeting. Sir, all things are normal now, So many big companies are arranging physical meeting now. In video conference the problem like link failure, slow internet, blurry images arises. So, it is a humble request, coming year onwards arrange Physical meeting, And lastly, I thank to moderator for smoothly handling the meeting. I personally thank to Mr. Lawkush Prasad for arranging the meeting and thanks to our company chairman.

Mr. Rajeev Ranjan: Thank you sir. Our next speaker for the event is Mr. Tapas Kumar Dutta.

**Mr. Tapas Kumar:
Dutta** Hello? Hello. Am I audible Sir?

Mr. Rajeev Ranjan: Sir you are audible. Kindly ask your questions.

**Mr. Tapas Kumar:
Dutta** Good morning everybody. Respected chairman, distinguished board of directors, eminent KMPs and and my fellow shareholders visiting this VC meeting, I myself, Tapas Kumar Dutta, an equity shareholder of

Greenpanel Industry Limited. I profoundly express my sincere gratitude to the galaxy of Greenpanel Industry Limited for their dedication, exertion, commitment and outstanding achievement. My heartfelt indebtedness to our secretarial department for their excellent and remarkable investor services. They are doing everything efficiently, effectively and intelligently. Sir, hopes an aspiration, euphoria and great enthusiasm, a bundle of excitement and a bit of bewilderment. This is our first AGM in Kolkata. This is a meeting where emotion rules over mathematics, passion breaks procedural barrier hesitation is overwhelmed by welcome and I Tapas Kumar Dutta welcome, our iconic board member, erudite, articulate, innovative, adaptable to new skin, precautious in breath taking way, extremely sought in analytical reasoning and astoundingly well informed in corporate law, administration, finance and marketing. To the city of joy, a few queries, Page No. 58, Capital investment on energy conserving equipment, Sir in this connection, no major capital investment You have done. Sir, page 169, your power and fule cost has increased and at an exaggerating speed of 34.91%. Sir how would you minimize, your power and fuel cost? Sir, page 14, we are committed to invest in research and design, but in page 59, sir what investment have you done in R and D. It is omitted. Sir page 13, Rupees 600 crore capex earmarked for project expansion. Sir, what will be your projected DE ratio after expansion. Sir, page 52, why has Susmita Madam resigned in an interim period. Third, may I know the reason for delay in filing the related party transaction with the stock exchanges. Sir, page 67, current ratio reveals huge fund remains in your hand and it needs better utilisation. Sir, Page 72, What is that attrition rate of permanent worker? Sir, in this connection attrition rate of employees is given but workers are not given. Sir, page 33, the company has not revalued its property plant and equipment during the year 31st March 2023. Sir, when you have done last revaluation? of this property? Sir, page 158, rapid deduction of raw material in balance sheet. Raw materials has been reduced rapidly. Sir, in this direction, I would like to know, Sir, is there any supply chain problem? Sir page 159, Sir, you have considered large amount of credit impact, in less than 6 months, why don't you have take some more time to pursue your debtors. Sir Page 33, the quarterly return filed by the company with bank are not in agreement with books of accounts. Sir in this collection, I would like to know, Sir, don't you prepared bank reconciliation statement in this regard? Sir, in CSR connection if you consider to add, skill development program in addition to education, it would have been better. Sir, all employees, page 87, all employees have got safety training except workers. May I know sir, the reason why don't they have safety training. Sir, page 120, percentage change of shareholding pattern is not displayed in this column. With this the last question.

Mr. Lawkush Prasad: Mr. Dutta, Can you repeat the last question?

Mr. Tapas Kumar: Dutta Sir, page 120, percentage change of shareholding pattern, which percentage have been changed in shareholding holding pattern from last year, it is not mentioned in this section. Sir, it would help us, is it the promoters share in accelerating rate or in diminishing rate? It would help us.

Mr. Lawkush Prasad: Okay.

Mr. Tapas Kumar: Dutta Sir, with this few remarks, I would like to conclude and hope next year will be flourishing economy and your business will be thriving. Sir, with this, I conclude, thank you for patient hearing.

Mr. Lawkush Prasad: Thank you Mr. Dutta.

Mr. Rajeev Ranjan: Thank You Sir. Our next speaker for the event is Manas Banerjee. Mr. Manas Banerjee please?

Mr. Manas Banerjee: Am I audible sir?

Mr. Rajeev Ranjan: Yes sir, you are audible.

Mr. Manas Banerjee: Good morning everybody. Respected chairman, present board members and my fellow online shareholders. I am Manas Banerjee joining the meeting from Kolkata. Sir, this year is a challenging year for our industry but our company has revenue of 9.75% over the previous year and and paying 150% dividend over and also reduce it debt. Now, our company is debt free, Sir, I convey my sincere thanks to our respected company secretary, Mr. Lawkush Prasad, and his team for registering my name as a speaker. Congratulations to the management team for excellent CSR policy. This financial year our company spends 2.32 core. Now, I have some queries. Number one, as our plywood volumes are down, is there any specific reason for weak plywood volumes? And what is your target volume for FY 2024? Second question sir, you could give us a sense in terms of export margin and how would that be for the financial year 2024? Sir, our company has increased MDF capacity, but volume was not satisfactory. I would like to know what is your assumption in volume growth, for the financial year 2024. Sir, I already supported all the resolutions by e-voting. I hope under this management team, our company will announce better financial performance in the coming year. Thank you for patient hearing. Thank you Sir.

Mr. Lawkush Prasad: Thank you, Mr. Banerjee.

Mr. Rajeev Ranjan: Thank you sir. Our next speaker for the event is Mr. J Abhisek. Mr. Abhisek, kindly unmute yourself and ask your question. Mr. Abhisek? There seems to be some technical issue at Mr. Abhisek end, our next speaker is Mr. Bimal Krishna Sarkar.

Mr. Bimal Krishna: Hello, am I audible sir?
Sarkar

Mr. Rajeev Ranjan: Yes sir, you are audible. Kindly ask your question.

Mr. Bimal Krishna: Yes, very good morning. Sir, Bimal Krishna Sarkar, equity shareholder of the company, mera residence Kolkata se bol raha hu. Sir, pehle me humare chairman sahab Shiv Prakash ji ko dhanyabad deta hu unhone excellent presentation diya hai company ka performance ke bare me. Dhanyad sir. Sir, iske baad me company secretary Mr. Lawkush Prasad ji ko bohot dhanyabad deta hu, unhone jis tarika se shareholder k saath relation rakha hai, really appreciated. Sir, aap meeting se pehle teen chaar baar telephone kakre alert kiye hain, just meeting se pehle bhi apne mujhe apne help kiya ki ap meeting me join karne mein, I appreciate the satisfactory result achieved by the company during the year under review, in spite of adverse market scenario, the revenue increased by 9.75%. EBITDA and PAT also increased. The company has paid healthy dividend of 150% during the year. I appreciate my gratitude towards CSR Committee for taking of various CSR projects during the year under review for promoting art and culture, promoting health care, plantation of eucalyptus plants. I request the CSR committee to consider CSR projects on physically disabled person in future. I also request the CSR committee to utilize the CSR unspent amount 37.27 lakh. I wish the company and company's chairman all the very best for the future. I have voted in all the resolution of the business of this meeting. I wish good health to the management of the company its employees and all the shareholders of the company.

Mr. Devesh was invited to raise his queries by the moderator.

Mr. Devesh Jain: I welcome the board member and thankful for providing me opportunity and registering me as speaker of the meeting. I am thankful to the secretarial department for providing me hard copy of the annual report on time. I express my gratitude towards the secretarial department for accommodating me at the last moment and registering me as a speaker of the meeting. I have very few quick questions to the board. I would like to know, how in the growing and competitive market, the company seeing its future, as other competitors are coming into the market in the same line of business, so how you are placing yourself in the market amongst this competition and your plans related to it. I have gone through the balance sheet, you people have a good cash and reserve but we as a shareholder not getting much share in that. So, it will be very good, if you increase amount of dividend. The company is doing good, profits are there, so there will not be a problem. my next question is, why the company is not operating on its 100% capacity? And the last thing, after covid company is organizing the annual general meeting online, which is

good. It saves time and energy but at the same time, the people who wants to travel to your place to attend the meeting physically, it should be welcome also. The company should also develop a SOP for that. Thats all from my side. And definitely, the points I put forward, I want to listen the management's response and clarification for those. I wish the very best to all of you, you people are doing good and I wish like to see more from shareholders point of view. We wish the company to grow, so we will be sticking to it and we want the company to move ahead with the competition. Thank you.

Mr. Lawkush Prasad: Thank you, Mr. Jain.

Mr. Rajeev Ranjan: Thank you sir. Mr. J Abhisek has rejoined the panel, with the chair permission, we can allow Mr. J Abhisek to ask his question.

**Mr. Shiv Prakash :
Mittal** Yes, please.

Mr. Rajeev Ranjan: Mr. Abhisek? Mr. Abhisek, kindly unmute yourself and ask your question. Mr. Abhisek? We are not able to connect to Mr. J Abhisek, so with this we come to an end for the speaker session, so, over to Mr. Company Secretary.

Mr. Lawkush Prasad: Thank you. Thank you, the speaker shareholder, for raising your concern and your appreciations and guidance.

Before we answer the shareholders' query, I would like to inform you that the Financial Statements for the financial year ended March 31, 2023, 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, maintained under Section 189(1) of the Companies Act, 2013, along with the Secretarial Auditors' Report and other relevant documents are either available on the Company's website or available electronically for inspection by the Shareholders during the meeting,

The notice convening the 6th annual general meeting has been with you for quite some time. I'll take it as read with your permission.

There is no qualification, observation, comment, or adverse remarks on financial transactions or matters which have any adverse effect on the functioning of the company mentioned in the report of the statutory auditors, M/s. S. S. Kothari Mehta and Company. Further, there are no qualifications, comments, or adverse remarks in the report issued by the secretarial auditor, M/s. T. Chatterjee & Associates except for the delaying in filing of disclosure of related party transaction on account of on consolidated basis with the stock exchanges by three days and

delaying in constitution of Nomination and Remuneration committee of the company by fifteen days for which fine have been paid by the company to the stock exchanges. The company has paid the fine amount to both exchanges. Management, based on their assessment and opinion, is of the view that any consequential effect on the above will not have a material impact on the company's financials. Therefore, it is not required to read the above Auditors' reports in the Annual General Meeting.

As already informed, the Meeting is being conducted through Video Conferencing and other audio-visual means and the Company provided a remote e-voting facility to all the Shareholder to enable them to cast their votes electronically in respect of all the businesses to be transacted on the 6th 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 was kept open from 9.00 A.M. on June 23, 2023, up to 5.00 P.M. on June 26, 2023.

In line with the provisions of Clause 7.1 of Secretarial Standard - 2 on General Meetings, issued by the Institute of Company Secretaries of India, proposing, and seconding the resolutions is not required as remote e-voting was commenced before the commencement of the Meeting.

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

Mr. Dilip Kumar Sarawagi, Practicing Company Secretary, Proprietor of M/s. DKS & Co. has been appointed as the Scrutinizer, for scrutinizing the remote e-voting and e-voting at the Annual General Meeting and to submit a report thereon in the prescribed manner.

Now, with permission of the Chairman Sir, I request Mr. Vishwanathan Venkatramani, CFO of the Company to respond to the queries raised by the Shareholders. CFO Sir, please

**Mr. Vishwanathan
Venkatramani**

Good morning chairman sir, other board members and fellow shareholders. I will take some questions raised by quite a few shareholders before going to specific queries.

The first question is regarding the guidance for F.Y. 2023-24, as already provided by Mr. Shobhan Mittal, the managing Director in the conference call on F.Y. 2022-23 results, he has announced that we are targeting 12 to 15% volume growth in MDF and double digit volume growth in Plywood. For MDF business we are targeting a margin growth of 20-25% and for Plywood Business we are targeting an operating margin of 8-10%. So these are the guidance for F.Y. 2024. For the capex, yes we are expanding our MDF capacity by 35% of our existing capacity adding another 2,31,000 cubic meter which is expected to be operation in the 1st half of F.Y. 2025. The concerns have been raised why we are doing the capex, when we are not running the plant on full capacity currently. We have to understand that, we have to maintain market share in the industry and retain leadership position, so it is necessary to plan our capex in advance and hopefully we will be close to around 90-95% of our existing capacity, when the current capacity is online. The third question was regarding the accumulated results of the company and why greater amount of profits has not been distributed as dividend? As we are doing a six hundred crore capex and the last part of the finance will be from internal accruals, that's why we are holding reserves in hand. The fourth question was regarding changes in the shareholding pattern of the promoters. The shareholding of the promoter is constant at 53.1%, so any change in the shareholding pattern is in the non promoter category.

Now I will come to some of the specific questions, raised by the shareholders. The first by Mr. Alok Kumar Pal. He wanted to know about the plans for the export. We are targeting a 25% volume growth in the export for F.Y. 2024 but in long term we will always be following the policy of allocating the volume for export depending on the demand in domestic markets as realisations and margins are higher in the domestic market as compared to exports. So we will always be allocating some portion to export for exploring different markets for our products. Allocations in individual year will be depending on the demand in the domestic market. The second question is of attrition rate of employee? The attrition rate of employee is higher in the last year and we are rolling out some incentives schemes for the employees and we are hopeful that we will achieve higher retention of employee going ahead. The next question was for social accounting and energy audit. Energy audit is not mandatory for our industry and we have already published the BRSR report which is a part of the annual report. Next question is for place of addition of fixed asset. As for the plant and machinery concern their addition is at Rudrapur plant in Uttarakhand and Chittoor plant in Andhra Pradesh and regarding items office equipments, office furniture and vehicles, they could be at plant, registered office, corporate office or marketing office across the country. Reasons for increase of power and fuel expenses by 50% in F.Y. 2022-23 in comparison to F.Y. 2021-22. There has been a stiff rise in both the power cost charged by the state electrical board as well as

the wood cost also falling part of the fuel cost. That's why the power and fuel cost has been increasing. We are hoping that the raw material cost will stabilize going forward and with the greater capacity utilization that will help in bringing down the power cost per unit.

Coming to question raised by Mr. Sujan Modak for 2-3 years road map. Mr. Modak, we are always targeting a volume growth of 10-12% and maintaining margins at current level and with increasing capacity utilization we will be able to increase margins in future. Regarding the reasons for 11 injuries which are mentioned in page 88 of the annual report, those are due to normal reasons not by the negligence of any employee or the company.

Regarding questions raised by Mr. Subhas Kar about distributors of the company, we have around 2000 distributors at the end of F.Y. 2023 and we are targeting addition of about 300 more in next 2 to 3 years. I have already given the volume and margin guidance for the next financial years.

Coming to questions raised by Mr. Tarak Chakraborty, financial highlights are mentioned in page no. 2 to 3 of the annual report, perhaps it has missed your attention. Regarding the increase in other expenses, those are incurred due to expenses like vehicle expenses, we have a large sales team which has to travel a lot across the markets to raise the orders for our products. The second major item of the miscellaneous expenses is yard expenses, which are basically incurred for bringing the raw material to the yard, loading and unloading the material and taking them for production process. So considerable expenses are incurred at the yard. The third major expense is legal and professional expenses. As we are going forward, compliance expenses are increasing so we are hoping that with increase in top line items the percentage of miscellaneous will decrease in future. Your question regarding Research and development, our products have very limited scope of R&D.

We have not revalued any item of Plant and Machinery since the beginning of the company. Regarding Raw material reduction, yes there was some raw material reduction in the year due to some seasonal factor like monsoons etc. we are hoping to bring the raw material level to normal level by the September this year. Regarding fixed deposits, as said earlier we are doing capex of 600 crores and a part of it will be financed by internal accruals so we have deposited some in fixed deposit for less than six months. For quarterly returns filed with banks, while preparing financial statements we have to take cut off for sales and raw materials which are not taken while preparing the statement to be submitted with bankers. So you will notice that in the audit report it is mentioned that after reconciliation of the cut off and other

procedure there is no difference in the books and the returns filed with the banks.

Coming to question raised by Mr. Manas Banerjee, targeted volume for F.Y. 2024, we have already mentioned that. Regarding export margin, it is the function of demand and supply. Due to demand slow down in USA and Europe, there has been damping MDF in both India and middle east and the major export market in the south east Asian countries. This has impacted our realization and margins. So for the current financial year we are targeting our export margins by 8%.

Coming to questions raised by Mr. Bimal Sarkar regarding CSR activities. We welcome his suggestion for implementing for physical challenged person and we will take greater care in future for no unspent amount of CSR in future.

Thank you. That's all from my side.

Mr. Lawkush Prasad: Thank you CFO sir for addressing the shareholder's queries.

Now, with the permission of the Chairman, I will proceed with the following businesses as set out in the Notice convening the 6th Annual General Meeting for consideration and approval of the Shareholders. There are six businesses at the Annual General Meeting. Items No. 1, 2, 3 & 4 are Ordinary Businesses, and items No. 5 and 6 are Special Businesses.

Ordinary Businesses:

Item No. 1

To consider and adopt the audited standalone financial statements of the company for the financial year ended March 31, 2023, the audited consolidated financial statements of the company for the said financial year, and the reports of the board of directors and auditors thereon.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, the Audited Consolidated Financial Statements of the Company for the said financial year and the Reports of the Board of Directors, and Auditors thereon along with annexures, as laid before the 6th Annual General Meeting, be and are hereby received, considered and adopted."

Item No. 2

To confirm payment of an interim dividend of Rs. 1.50/- (one rupee and fifty paise) per share i.e., 150% of face value of equity shares of Re. 1/- on 12,26,27,395 equity shares of the company, paid to the shareholders for the financial year 2022-23.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the payment of Interim Dividend of Rs.1.50/- (Rupees one and paise fifty) per share i.e., 150% on face value of equity share of Rs.1/- on 12,26,27,395 Equity Shares of the Company, paid to the shareholders for the financial year 2022-23, as per the resolution passed by the Board of Directors at their meeting held on January 30, 2023 be and is hereby noted and confirmed.”

As chairman sir informed that he is interested in the business of item number 3 of the Agenda of the Meeting and therefore, he will not chair the meeting to conduct the above business. I request the directors present to elect one amongst them to chair the business of item No. 3. I repeat, I request the directors present to kindly elect one amongst them to chair the business of item No. 3.

Mr. Arun Kumar Saraf: I propose the name of Mr. Mahesh Kumar Jiwrajka to chair the meeting for this item no. 3.

Mr. Lawkush Prasad: I request Mr. Mahesh Kumar Jiwrajka, Independent Director of the Company, to Chair the Meeting to conduct the business of item No. 3 of the Agenda.

Item No. 3

To appoint a director in place of Mr. Shiv Prakash Mittal (DIN: 00237242), who retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Shiv Prakash Mittal (DIN: 00237242) who retires by rotation at the ensuing Annual General Meeting in terms of the provisions of Section 152(6) of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and that his period of office is liable to determination by retirement of Directors by rotation."

Thank you Mr. Mahesh Kumar Jiwrajka for conducting the above business.

Now, I request Mr. Shiv Prakash Mittal to re-occupy the Chair to conduct the remaining businesses (items Nos. 4, 5, and 6) of the Annual General Meeting.

Item No. 4:

To re-appoint the statutory auditors of the company and to fix their remuneration

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s), amendments, substitutions or reenactment(s) thereof, for the time being in force] and recommendations of the audit committee and the board of directors of the company, M/s. S. S. Kothari Mehta & Company, Chartered Accountants (Firm Registration No. – 000756N) be and are hereby re-appointed as statutory auditors of the company to hold office for a further term of five consecutive years from the conclusion of the 6th annual general meeting till the conclusion of the 11th annual general meeting of the company at such remuneration, as may be decided by the board of directors of the company based on the recommendation of the Audit Committee, in addition to reimbursement of out-of-pocket expenses in connection with the audit of the financial statements of the company.

RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO and Mr. Lawkush Prasad, Company Secretary and VP-Legal of the company be and are hereby severally authorised to sign and file necessary e-forms with the Registrar of Companies, issue appointment letter to the Auditors, and do all such acts, deeds, and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Special Businesses:

Item No. 5 (as a Special Resolution)

Reappointment of Mr. Salil Kumar Bhandari (DIN: 00017566) as an independent director of the company for a term of 5 years

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with schedule IV to the Act and regulation 16(1)(b), 17, 25(2), 25(2A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“Listing Regulation”) and pursuant to the provisions of the Articles of Association of the company and recommendation of the nomination and remuneration committee and the board of directors of the company, Mr. Salil Kumar Bhandari (DIN: 00017566), who was appointed as an independent director of the company by the shareholders for a period of five years with effect from August 6, 2018 and whose tenure is expiring on August 6, 2023 and has submitted a declaration that he meets the criteria for independence as required in section 149(7) of the Act and regulation 25(8) of Listing Regulations, be and is hereby reappointed as an independent director of the company to hold office for a second term of five consecutive years with effect from August 6, 2023 till August 5, 2028 whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO and Mr. Lawkush Prasad, Company Secretary, and VP-Legal be and are hereby severally authorised to file returns of appointment with the Registrar of Companies, issue letter of appointment, and do all such acts, deeds, matters, and things as may be deemed necessary to give effect to this resolution.”

Item no. 6

Reappointment of Mr. Mahesh Kumar Jiwrajka (DIN: 07657748) as an independent director of the company for a term of 5 year

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with schedule IV to the Act and regulation 16(1)(b), 17, 25(2), 25(2A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“Listing Regulation”) and pursuant to the provisions of the Articles of Association of the company and recommendation of the nomination and remuneration committee and the board of directors of the Company, Mr. Mahesh Kumar Jiwrajka (DIN: 07657748), who was appointed as an independent director of the company by the shareholders with effect from August 6, 2018 and whose tenure is expiring on August 6, 2023 and has submitted a declaration that he meets the criteria for independence as required in section 149(7) of the Act and regulation 25(8) of Listing Regulations, be and is hereby reappointed as an independent director of the company to hold office for a second term of five consecutive years with effect from August 6, 2023 till August 5, 2028 whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Shiv Prakash Mittal (DIN: 00237242), Executive Chairman, Mr. Shobhan Mittal (DIN: 00347517), Managing Director and CEO, and Mr. Lawkush Prasad, Company Secretary and VP-Legal of the Company be and are hereby severally authorized to file returns of appointment with the Registrar of companies, issue letter of appointment and to do all such acts, deeds, matters, and things as may be deemed necessary to give effect to this resolution”.

The E-voting facility for voting at the Annual General Meeting shall be open for the shareholders, who have attended this Meeting through Video Conferencing and other Audio-Visual Means and have not cast their vote through the remote e-voting facility, up to 30 minutes from the conclusion of the Meeting.

The results of the e-voting and remote e-voting will be announced on receipt of the Scrutinizer’s report and the same will be placed on the Company’s website and will be sent to the Stock Exchanges. Further, the transcript of the Annual General Meeting proceedings shall also be uploaded on the website of the Company.

As we are approaching towards closure of the 6th Annual General Meeting of the Company, I would like to convey my heartiest thanks to Chairman Sir for enlightening us with various

important aspects of the business and prospects of the Company. I would also like to thank Mr. Mahesh Kumar Jiwrajka for chairing the meeting to conduct business on item nos. 3 of the agenda of the meeting and all the Directors, Chief Financial Officer, Statutory Auditors, Secretarial Auditor, Scrutinizer, moderator, officials of CDSL, NSDL, Linkintime India Pvt Ltd, and the shareholders engaged in the meeting for their active participation and support.

Now I request Chairman Sir, to declare formal closure of the 6th Annual General Meeting.

Mr. Shiv Prakash Mittal: The 6th Annual General Meeting of the Company is now concluded.

We appreciate your generous support. I on behalf of the Board of Directors of your company and my behalf express my sincere thanks and gratitude for taking the time from your busy schedule to join us. Thank you very much.