



GROWING TOGETHER

TRANSCRIPT – BIL 58<sup>TH</sup> AGM –12.08.2020

**TRANSCRIPT – BIL AGM – 58<sup>TH</sup> ANNUAL GENERAL MEETING  
12<sup>TH</sup> AUGUST, 2020**

Dear Shareholders,

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

I welcome all of you to the 58<sup>th</sup> Annual General Meeting of the Company.

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

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

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

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

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

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

All Directors are present in the Meeting.

Mr. Basant Bansal, CFO and Mr. Natwar Thakrar representative of Statutory Auditor and also representative of Secretarial Auditor are also present at the Meeting.

**Balkrishna Industries Ltd.**

**CIN No.: L99999MH1961PLC012185**

**Corporate Office : BKT House, C / 15, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India.**

**Tel: +91 22 6666 3800 Fax: +91 22 6666 3898/99 www.bkt-tires.com**

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

The Notice dated 20<sup>th</sup> June, 2020 convening this Annual General Meeting and a copy of the Annual Report for the financial year ended 31<sup>st</sup> March, 2020, have already been circulated to members of the Company electronically.

With your permission, I shall take them as read.

The Auditors' Reports on the standalone and consolidated financial statements and the Secretarial Audit Report of the Company for the financial year ended 31<sup>st</sup> March, 2020 do not contain any qualification, reservation, adverse remark or disclaimer. Accordingly, the reports are not required to be read out, as provided in the Companies Act, 2013. However, with the consent of the Members present I take this as read.

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

**Dear Shareholders,**

I extend a very warm and cordial welcome to all of you to the 58<sup>th</sup> Annual General Meeting (AGM) of your Company. This meeting is being held through Video Conferencing / Other Visual Means in accordance with the circular issued by the Ministry of Corporate Affairs and SEBI.

I hope that you and your family members are safe and continue to adhere to the guidelines issued by the State and Central Government / Local Authorities and are taking all necessary precautions. AGM always happens to be an important event for all of us. This gives us the platform to engage directly with our shareholders. However, due to the current restrictions on physical movement, we are compelled to hold a virtual AGM, but we hope that this virtual meeting will keep our commitment to engage with you intact.

The World, the country and your company ended the FY19-20 in a rather unusual sense of uncertainty. The COVID-19 pandemic impacted the macroeconomic fundamentals of the world economy. It clearly demonstrates the vulnerability of our globally interconnected economies. While the containment and isolation measures taken by Governments had painful consequences for the economy and for the everyday life of each of us, but they were sensible and necessary.

We are all in the same state and as can be expected, any crisis simultaneously creates pain and opportunities and COVID-19 will be no different.

When we emerge out of this crisis the world will evolve as a different place. Post COVID-19 the outlook will be challenging and uncertain, however we are determined to play our part and work hard to contribute to the economy and to serve our customers and all stakeholders.

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Fueled by our long-term vision of becoming a global leader in industry and guided by our values, we have successfully adapted to the changing market realities and continue to drive leadership in the current new normal.

#### **FINANCIAL RESULTS:**

Let me now brief you about the business performance. FY2019-20 was a challenging year for the industry. The first 8 months of the year witnessed various macro factors such as trade war, unfavorable climatic conditions in Europe which adversely affected business sentiments and demand across the globe.

With the talks of trade war resolution between US and China coupled with favorable winter season in Europe, the demand scenario turned positive and business environment improved gradually until middle of March 2020 which is when pandemic “COVID-19” disrupted operations. The pandemic led to lockdown of the entire country and as a result, our manufacturing activities as well as dispatches remained suspended from 25<sup>th</sup> March 2020 to the later part of April 2020 when, lockdown was partially lifted by the Government. The manufacturing operations were resumed following stringent safety and security measures across all our plants in accordance with the guidelines issued by various government /local authorities.

Your Company was able to gradually ramp up manufacturing activities in May and thereafter, I am happy to inform you that your company has gained normalcy in manufacturing activities as well as dispatches.

The Standalone Gross turnover of your Company was Rs. 4,728 Crores as compared to Rs. 5,244 Crores in the previous year. Despite the reduction in turnover as compared to last year, the Standalone Profit After Tax (PAT) was better at Rs. 945 Crores as against Rs. 782 Crores in the previous year.

The Consolidated Gross turnover of your Company was Rs. 4,811 Crores as compared to Rs. 5,210 Crores in the previous year. The Consolidated Profit After Tax (PAT) was at Rs. 960 Crores as against Rs. 774 Crores.

Your Directors had declared and paid Interim Dividends aggregating to 1000% (Rs. 20.00 per equity share) and have recommended to treat 3<sup>rd</sup> Interim Dividend of Rs. 16.00 per equity share as Final Dividend for the FY-2019- 20.

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#### **CURRENT YEAR SENARIO:**

COVID-19 has been relentless on human lives and is causing economic hardships across the globe. Being a global company, we will be affected on account of the demand changes due to the pandemic. However, we strongly believe that our business model and strong Balance sheet is resilient to withstand the new normal in a post Covid world and we will be able to outperform competition.

#### **CARBON BLACK PROJECT:**

Your Company has completed the Second phase of the Carbon Black Project on 12<sup>th</sup> March, 2020 with an additional installed incapacity of 80,000 tons per annum. The first Phase of 60,000 tons per annum of installed capacity was already completed in the month of June, 2019. With this, the total installed capacity of the Carbon Black project is 140,000 tons per annum and we are currently utilizing capacity at optimum levels.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

CSR vision of your Company is to promote Education, Healthcare and Rural Development.

During the year, the Company was required to spend over Rs. 21 Crores. The Company had identified various CSR projects having a total commitment of more than Rs. 21 Crores and had spent amount of Rs. 16 Crores till March, 2020. The balance amount of Rs. 5 Crores has been spent in the month of April to June 2020.

Though, Covid-19 was an unexpected event, your Company decided to support the mankind affected by this Pandemic. We have spent over Rs. 8 Crores towards supporting communities and frontline medical workers.

For communities, we have distributed food grain packets, cooked meals across India in co-ordination with Akshaya Patra and our Distributors. We have also distributed face masks across India through our Distributors.

For frontline medical workers, we have distributed PPE kits, Doctor's Scrub Suit's and disposable bed sheets.

#### **ACKNOWLEDGEMENTS:**

I would like to express sincere gratitude to my colleagues on the Board for their valued guidance in guiding your company. In addition, I would also like to thank Company's Bankers, Financial Institutions, Shareholders, Distributors, Customers, employees and State Government of Maharashtra, Rajasthan and Gujarat for their confidence and continuous support.

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**Dear Shareholders,**

I am pleased to bring to your notice that, as required under the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company has extended the e-voting facility to the Members of the Company in respect of businesses to be transacted at the 58<sup>th</sup> Annual General Meeting.

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

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

Item No.1: Approval of Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31<sup>st</sup> March, 2020, together with Directors' and Auditors Reports.

Item No.2: Confirmation of Payment of Interim Dividends and to treat 3rd Interim Dividend of Rs.16.00 per equity share as Final Dividend for the financial year 2019-20.

Item No.3: Re-appointment of Mr. Vipul Shah (DIN: 05199526) who retires by rotation and being eligible offer himself for re-appointment."

After the resolutions set out in the Notice of AGM were moved, Mr. Vipul Shah, the Director and Company Secretary at the direction of the Chairman, facilitated to invite the Members who were registered as speaker for question and answer session.

Mr. Vipul Shah requested Mr. Dinesh Amrutlal Kotecha (Speaker) to proceed with his question. Mr. Kotecha expressed his views and sought clarifications on the Company's business operations and its future growth plans.

Further, Mr. Vipul Shah requested Mr. Aspi Bhesania, Mr. Tanil Khanna, Mr. Aloysius and Mrs. Vasudha Dakwe (Speakers) who have registered themselves as speaker, however no response received from the said speakers.

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

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

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

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

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

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

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

The Meeting concluded at 11:45 a.m.

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