



GROWING TOGETHER

TRANSCRIPT – BIL 60TH AGM – 7.07.2022

**TRANSCRIPT – BIL AGM – 60TH ANNUAL GENERAL MEETING
7th JULY, 2022**

Dear Shareholders,

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

I welcome all of you to the 60th Annual General Meeting of the Company.

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

Adequate videoconferencing facility of this meeting have also been provided.

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

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

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

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

All Directors are present in the Meeting.

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

Balkrishna Industries Ltd.

CIN No.: L99999MH1961PLC012185

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

The Notice dated 13th May, 2022 convening this Annual General Meeting and a copy of the Annual Report for the financial year ended 31st March, 2022, have already been circulated to members of the Company electronically.

With your permission, I shall take them as read.

The Auditors' Reports on the standalone and consolidated financial statements and the Secretarial Audit Report of the Company for the financial year ended 31st March, 2022 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,

FY 21-22 was special to all of us as it marked the 60th diamond jubilee year of our continuous journey of business excellence. As I stand before you today at the 60th Annual General Meeting (AGM) of Balkrishna Industries Limited also known as BKT, I have great pleasure to extend a very warm welcome to each and every one of you.

This is the third consecutive year where I am unable to experience the intimacy and pleasure of a face-to-face interaction with our shareholders because of compelling reasons due to the ongoing pandemic.

The past couple of years have been a period of intense action and reflection. We have seen a global pandemic, geopolitical tensions, supply chain disruptions and many other public and private upheavals. I believe we are standing at the threshold of a period of great opportunity and growth.

At the same time, I am happy to host you at the virtual format of AGM which has given an opportunity to several shareholders to participate in the AGM from the safety of their homes. On behalf of the Board of Directors, I want to thank you for sparing the time to join us.

Your trust, confidence and support during the last six decades, has made it possible for us to gain market share in the off-highway tire industry, witnessed higher uptake on an account of healthy demand across agricultural and mining markets. I do hope to see you in person at the next AGM.

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Today, at this juncture I remember my father and our founder Chairman – Late Shri Mahabirprasadji who's unique vision redefined the growth of our Company, as he challenged conventional wisdom in several areas, which were crucial in propelling the fast growth.

In order to continue moving ahead, we have prioritized the well-being of our employees, workmen and all around us to the extent possible while ensuring business continuity.

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

I now come to the FINANCIAL RESULTS:

In FY 21-22, the Standalone Total Income of your Company was higher by over 43% at ₹ 8,697 crores as compared to ₹ 5,919 crores in the previous year. The Standalone Profit After Tax was higher over 22% at ₹ 1,410 crores as compared to ₹ 1,155 Crores in the previous year.

The Consolidated Total Income was higher by over 43% at ₹ 8,295 crores as compared to ₹ 5,783 crores in the previous year. The Consolidated Profit After Tax (PAT) for the year was higher over 21% at ₹ 1,435 crores as against ₹ 1,178 crores in the previous year.

Despite several unprecedented challenges like supply chain disruptions, which have impacted both pricing as well as raw material availability, we have had reasonable growth at BKT. The logistics and freight costs continued to remain at elevated levels.

In this difficult backdrop, your Company continued to remain the preferred choice of customers and further aimed at maintaining leadership in product quality, delivery reliability and technical expertise.

Your directors had declared and paid 3 interim dividends each of (200%) ₹ 4 per equity share aggregating to (600%) ₹ 12 per equity share and a special Diamond Jubilee Dividend of (600%) ₹ 12 per equity share, aggregating to 1200% (₹ 24 per equity share) and have recommended Final Dividend of 200% (₹ 4 per equity share) for the financial year 21-22. The total dividend for financial year 21-22 works out to 1400% (₹ 28 per equity share of ₹ 2 each) subject to approval of the same by the shareholders at today's meeting.

CURRENT YEAR SENARIO:

BKT is well-poised for another year of market-leading performance as overall demand for its tires in replacement as well as OEM markets across the globe including India is encouraging, which will drive volumes in coming fiscal year despite current challenges like supply chain bottlenecks and unprecedented increase in freights.

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Over the last few years, the products of your Company have been very well accepted in the Global market. The resilience we have displayed and the brand strength that we have earned clearly shows how well-placed we are in these challenging times.

At the same time, on behalf of the Board, I want to assure you that the long term prospects of your Company are good and promising as your Company continues to explore all the avenues to ensure growth of its business.

On the contrary we will strive to achieve further market penetration into new and existing markets.

Now Let me give you a glimpse of our PROJECTS:

All the expansion projects of your Company are progressing very well. We remain on-track to deliver our projects on time and take advantage of the growing demand for our products.

Let me now talk about SUSTAINABILITY AT BKT:

BKT has always been a value-driven organization with a strong core belief that encompasses people, planet and prosperity, together.

We have always encouraged safety, ethics. Diversity and inclusivity in all our business practices.

We are committed to perform our operations in an environmentally conscious and socially responsible manner.

With sustainability and responsible business operations becoming more relevant to the stakeholder groups, we aspire to create industry benchmarks through our performance and Environmental, Social and Governance (ESG) expectations.

CORPORATE SOCIAL RESPONSIBILITY:

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

During the year, the Company was required to spend over ₹ 24.78 crores. The Company had identified various CSR projects and had spent an amount of ₹ 24.89 crores till March, 2022, hence Company has spent excess amount exceeding ₹ 10 Lakhs for the FY 21-22.

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Strategic way ahead:

In the first half of the seventh decade, we are now embarking on a mission to double our global market share from ~5.5% to 10%. We shall continue to expand our capacities to achieve this mission.

This would be rightly supported by our strategic activities towards enhancing market reach, improving penetration in the US markets, expanding product portfolio, strengthening distribution channel in the Indian markets and increasing utilization levels.

Besides, we will continue to build our brand visibility by associating with several sports events across the globe.

Lastly, I would like to express my sincere gratitude to my colleagues on the Board for their valued support in guiding your Company.

I am deeply grateful to our dedicated employees. Our team is passionate, and has made our achievements possible despite challenging situations over the years such as the COVID-19 pandemic and supply chain disruptions.

I would like to express my thankfulness & heartfelt gratitude towards the Company's Bankers, Investors, Financial Institutions, Shareholders, Distributors, Customers and State Government of Maharashtra, Rajasthan and Gujarat for their confidence and their continuous support.

Chairman's speech concluded.

Dear Shareholders,

I am pleased to bring to your notice that, as required under the Companies Act, 2013 read with Rules and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company has extended the e-voting facility to the Members of the Company in respect of businesses to be transacted at the 60th Annual General Meeting.

The e-voting commenced at 9.00 a.m. on 4th July, 2022 and concluded at 5:00 p.m. on 6th July, 2022. Mr. G.B.B. Babuji, the practicing Company Secretary is appointed as the scrutinizer by the Board for scrutinizing the e-voting process.

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

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

Item No.1: Approval of Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2022, together with Directors' and Auditors Reports.

Item No.2: Confirmation of Payment of Interim Dividends and to declare Final Dividend of Rs.4.00 per equity share as Final Dividend for the financial year 21-22.

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

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

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

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

Chairman: Thank you Pannkaj bhai.

Chairman: I move further Resolutions

Item No.4: "Appointment of Statutory Auditors of the Company from the conclusion of 60th AGM till the conclusion of 65th AGM."

Item No.5: "Re-Appointment of Mr. Pannkaj Ghadiali as an Independent Director for a second term of five years".

Item No.6: "Amendment in Borrowing Powers of the Company".

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

Mr. Vipul Shah requested Ms. Lekha Satish Shah (Speaker) to proceed with her question.

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

Further, Mr. Vipul Shah requested Mr. Aspi Bhesania, Mr. Yunus Rangwala, Ms. Celestine Elizabeth Mascarenhas, Mr. Rajesh Chainani and Mr. Satish Jayantilal Shah (Speakers) who have

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registered themselves as speakers.

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

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

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

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

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

The Chairman thereafter ordered voting at the Meeting electronically by the Members who had not voted in remote 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 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 12.05 p.m.

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