

Havells 38th Annual General Meeting Transcript

Dated 30th June 2021

Sanjay Kumar Gupta: Good morning Dear Shareholders, I welcome you all on behalf of your company 'Havells India Limited', to its 38th Annual General Meeting which is being held through video conferencing today. Before I handover to the Chairman to declare the meeting open, I would like to highlight certain points.

The joining to the meeting opened 30 minutes before the scheduled time of the commencement of the meeting and the shareholders were encouraged to join in at least 15 minutes before it.

The meeting will remain open for another 15 minutes of time after the end of the meeting. Members are encouraged to join the meeting through their laptops with headphones on for better experience and use internet with a good speed to avoid any disturbance during the meeting. Participants connecting from mobile device or tablets or through laptops connecting via mobile hotspot may experience audio-video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

As mentioned in the notice, the facility of participation at the AGM through video conferencing or through other audio-video means has been made available for 1000 members on first come first serve basis except for Large Shareholders, Promoters, Institutional Investors, Directors, KMPs, the Chairperson of the audit committee, NR Committee and Stakeholders Relationship/ Grievance Redressal Committee, as well as the Auditors who are allowed to attend the AGM without restriction on the account of First Come First Serve basis. Pursuant to the MCA circular of 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the body corporates are entitled to appoint authorized representatives to attend the AGM through video conferencing and participate and cast their votes through e-voting.

The registered office of the company situated at New Delhi shall be deemed to be the venue of this AGM and the proceedings of the AGM shall be deemed to be made thereat to transact the businesses as mentioned in the notice.

The members were provided an opportunity to inspect all documents referred to in the notice and the explanatory statement by writing to the company at the email ID investors@havells.com till the date of AGM.

We have received request from 7 members for registration as speaker shareholders in the AGM today. All those shareholders have been provided specific links to log in to the meeting and we shall be allowing them to speak once the Chairman directs the same.

In the interest of time and to make available the opportunity to other shareholders, we request the speakers to ask a maximum of two questions each and share the rest of the questions in case they have any, by writing to us at investors@havells.com and we shall reply to the same.

Shareholders those who have not registered themselves beforehand as speaker shareholders but are attending this meeting through VC today are also invited to express their views and raise questions if they have any in the chat box provided. The Chairman would be responding to such queries at the end of the meeting.

With this I now handover the proceedings to Chairman Sir.

Anil Rai Gupta: Thankyou. Good morning everybody. I welcome you all to the 38th Annual General meeting of your company. I would like to mention that in view of the massive outbreak of Covid-19 pandemic, social distancing is a norm to be followed and therefore this AGM today has been convened through video conferencing or other audio-visual means in compliance of the Company's Act 2013, read with specific circulars dated 8th April 2020, 13th April 2020, 5th May 2020, and 13th January 2021 issued by the Ministry of Corporate Affairs, Government of India and the circulars dated 12th May 2020 and 15th January 2021 issued by SEBI which exempt physical attendance of the members to the AGM venue.

The quorum being present I declare the meeting open. The notice convening this meeting and the Directors' report had already been mailed to all the shareholders and are taken as read. I welcome other colleagues on the board of your company to the 38th Annual General Meeting. Now let me ask your Board of Directors to introduce themselves.

Shri U.K. Sinha

U.K. Sinha: Good Morning I am U.K. Sinha. I am an independent Director on the Board of the company. I am also Chairman of the Audit Committee and Chairman of the Stakeholder Relations & Grievance Redressal Committee. I am joining this meeting from New Delhi. Thankyou

Anil Rai Gupta: Thankyou Sir. Shri Jalaj Dani Ji.

Jalaj Ashwin Dani: Good Morning, I am Jalaj Dani, an Independent Director on the Board of Havells. I am attending this AGM from Mumbai today. I am also the Chairman of the CSR committee. Thank you.

Anil Rai Gupta: Thank you. Shri B. P. Rao.

B Prasad Rao: Good Morning to you all, I am B.P. Rao, Independent Director on the board of Havells and I am attending this AGM meeting from my residence at Noida. Thankyou.

Anil Rai Gupta: Thankyou. Shri Subhash S. Mundra.

Subhash S. Mundra: Good Morning, I am Subhash Mundra, an Independent Director on the Board of Havells. I am joining this AGM from Mumbai today. Thank you.

Anil Rai Gupta: Thank you. Shri Vivek Mehra.

Vivek Mehra: Good Morning. I am Vivek Mehra, an Independent Director on the Board of Havells and I am attending this AGM from Mukteshwar today. I am also the Chairman of the Nomination and Remuneration Committee.

Anil Rai Gupta: Thankyou. Shri Ashish Bharat Ram.

Ashish Bharat Ram: Good Morning, I am Ashish Bharat Ram, an Independent Director on the board of Havells. I joined the board on the 20th of May 2021 and I am attending this AGM from my hotel in Shimla.

Anil Rai Gupta: Thank you. Smt Namrata Kaul.

Namrata Kaul: Good Morning, I am Namrata Kaul, an Independent Director on the board of Havells. I was appointed on the board on 20th January 2021, I am attending this AGM from Kandaghat today.

Anil Rai Gupta: Thank you. Shri TV Mohandas Pai.

TV Mohandas Pai: Good Morning folks. My name is Mohandas Pai. I am a Director on the Board and I am attending this meeting from my home office in Bangalore. Thank you

Anil Rai Gupta: Thank you. Shri Puneet Bhatia.

Puneet Bhatia: Good Morning this is Puneet Bhatia, I am Director on the Board of Havells and I am dialing in to this AGM from Himachal.

Anil Rai Gupta: Thank you. Shri Surjit Kumar Gupta.

Surjit Kumar Gupta: Good Morning I am Surjit Kumar Gupta; I am attending this meeting from my house in New Delhi. I am one of the Promoter Directors on the Board of Havells. Thank you very much.

Anil Rai Gupta: Thank you. Shri Ameet Kumar Gupta

Ameet Kumar Gupta: Good Morning I am Ameet Gupta one of the Promoter Directors. I am also a Wholetime Director on the Board of Havells. I am attending this AGM from New Delhi today. Thank you.

Anil Rai Gupta: Thank you. Shri Rajesh Kumar Gupta.

Rajesh Kumar Gupta: Good Morning everyone I am Rajesh Gupta; I am whole time Director and CFO of the company and I am attending this AGM from my residence in Delhi.

Anil Rai Gupta: Thank you. Shri Siddhartha Pandit.

Siddhartha Pandit: Good Morning I am Siddhartha Pandit, a whole-time Director on the Board of Havells. I am attending this AGM from the Havells Corporate office in Noida.

Anil Rai Gupta: Thankyou. We also have with us the representative from our statutory auditors Shri Pankaj Chadha. Shri Pankaj Chadha Ji.

Pankaj Chadha: Hi, Good Morning everyone. My name is Pankaj Chadha, I am the audit signing partner. Thank you.

Anil Rai Gupta: Thankyou. We also have Shri Sanjay Kumar Gupta, the Company Secretary.

Anil Rai Gupta: Ladies and Gentlemen it has been a challenging year as the Covid-19 contagion ravaged socio-economic developments globally. Though the lethal second wave seems to be subsiding, we still need to keep up the guard. I wish that all members of the Havells family and country at large stay safe and follow Covid safety protocol. At Havells we responded with agility and adapted to the situation steering the events to our advantage to the extent possible. During these times the senior management ensured seamless communication between employees, dealers and vendors **promulgating** the need for entrepreneurial behavior. I am extremely proud of our workforce and thank them for their dedication. We have seen countless extraordinary examples of efforts to keep our operations running smoothly. I would single out

our factory staff, the frontline staff, supervisors, and supply chain team for their inexhaustible energy to keep going and fulfill deliveries against all odds. They are Havells' Covid warriors. I would thank them on your behalf. Sales, supply chain, manufacturing, all have surpassed their previous best by improving their productivity. We are determined to continuously drive innovation, growth and productivity throughout the organization. Havells has always believed in creating a long-term sustainable business with a strong supply chain, aspirational brand, well entrenched distribution network and a responsive customer service setup. Volumes and efficiency were the key during these times and I am glad to share that your company was able to deliver results because of the investments made over the years towards building a sustainable business. Sustainability is not only limited to environment, social and governance, it is in each aspect of the organization, whether it is quality of the product or efficient utilization of resources in the manufacturing processes. We at Havells over the years have continued to take important strides in playing our part towards a sustainable environment. We have been working steadily towards conservation and management of water resources increasing our renewable energy footprint. Today we are an aspirational brand with a vast product range giving us an opportunity to capture the demand from both consumer and residential as well as industrial and infrastructure sector. With focus on home improvement the consumers are investing in good quality consumer appliances and Havells with its offering is well placed to cater to all needs at different price ladder and applications. Lloyd, the brand through which we sell large consumer durables posted better year on year growth, led by air conditioners, washing machines and recently launched refrigerators. It is strengthening as a brand and is one of the core businesses. Our depth is not just in the product portfolio but also in the access to the consumer. After setting strong foothold in the urban markets, Havells is now reaching to the heartland by setting up distribution network in Semi-Urban and Rural markets with our focused initiative Rural Vistaar. The consumer preferences are changing as they are moving towards reliable and quality brands, creating a unique opportunity for the organized players driving premiumization with products which are feature-led, energy efficient and having a digital footprint. I would conclude by saying that we remain proud of our lineage and thank all our stakeholders for their continued support and guidance to make us one of India's most penetrated household brands in the

electrical industry. Wishing you all good health. With this, I hand over the proceedings to the Company Secretary.

Sanjay Kumar Gupta: Thank you Sir. Now I request the statutory auditors of the company to read out the auditors' report for the benefit of shareholders. Shri Pankaj Chadha Ji.

Pankaj Chadha: Thank you very much. I think we have got our opinion issued and it is an unqualified opinion. Just for the benefit of all members, I will just read out the Basis for Opinion paragraph which reads as follows- We conducted our audit of standalone financial statements in accordance with the standards on auditing as specified under Section 143 (10) of the Act. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the standalone financial statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements. Thank you very much.

Sanjay Kumar Gupta: Thank you Pankaj Ji. Pursuant to the provisions of Companies Act 2013 and the SEBI listed regulations, the company has provided with the facility for voting by electronic means for all its members, to enable them to cast their vote electronically and the business may be transacted through such e-voting. For this purpose the company has tied up with the e-voting system of the NSDL, facilitating voting through electronic means as the authorized agency. The company provided remote e-voting facility to all the persons who were members on 23rd of June 2021, being the cutoff date, to vote on all the 14 resolutions as set out in the notice of the AGM. Members attending the AGM today who have not already cast their vote by remote e-voting are entitled to exercise their right to vote by e-voting. Ms. Balika Sharma, Practicing Company Secretary has been appointed by the board as the scrutinizer for e-voting. The results will be declared on or before 2nd July 2021 after considering

the e-voting done today by members participating in this AGM and also the remote e-voting already done by certain members. The results along with scrutinizer report will also be submitted to the stock exchanges, i.e. National Stock Exchange and Bombay Stock Exchange and will also be placed on the website of the company. As the meeting is being convened through VC today, the resolutions have already been put to vote through remote e-voting and the requirement to propose and second is not applicable. I now hand over the proceedings to the Chairman for question and answer session and I request each of the speaker shareholders to limit their questions to a maximum of 2 each for the benefit of other shareholders. In case you have more questions to ask you are most welcome to send the same to the company by emailing at investors@havells.com and we shall reply to the same. Over to the Chairman Sir.

Anil Rai Gupta: Thank you Sanjay. I now invite Mrs. H.S. Patel who has registered herself as a speaker to express her views and ask questions.

Havells Team Member: Our first speaker shareholder Mrs. H.S. Patel has not connected today so we move on to the speaker shareholder number 2, i.e. Mrs. Celestine Elizabeth Mascarenhas. Mrs. Celestine you are requested to please unmute yourself, switch on your video, and please proceed with your question.

Celestine Elizabeth Mascarenhas: Hello can you hear me?

Anil Rai Gupta: Yes

Celestine Elizabeth Mascarenhas: ok very good. Respected Chairman and MD Anil Rai Gupta, other honorable Directors, and my fellow shareholders who are attending this virtual meet. I am Mrs. Celestine Elizabeth Mascarenhas who is attending from Mumbai. First of all, I will thank our Company Secretary Mr. Sanjay Kumar Gupta for sending me the e-AGM report and also making it easy to attend virtually through the Zoom platform. Thank you, Mr. Secretary and his team. Now I come to the annual report. It is very colorful with bars, charts, lots of information which are quite self-explanatory and also adhering to all the norms of the Corporate Governance. Good pictures of our products, new launches, especially Pure Air Fan, Smart Fan etc., their approximate prices and

their salient features should be included, maybe for the next AGM because now certain new products are coming, which are for the environment. Air purifying is very important, keep it for the next AGM report. You can send me the brochure in my email and also give some discounts as Bajaj Electricals do. Now the working is good, definitely dividend is very good, 650% i.e. Rs. 6.50. Now I expect the market capital should go up. You may need some very dynamic people like what Mr. Sunil did in Whirlpool, earlier in Kelvinator and now in Tata consumer. In the marketing side, he gives a stellar performance. Now on page-32, I congratulate for all the awards received by our company in spite of the pandemic woes. Also, very good CSR work, all written in page number 39. I don't want to speak because we have to be brief. Now my queries:

1: We have 5 brands, that's namely Havells, Lloyds, Crabtree, Standard and REO. Sir, which is our strongest brand or I can put it other ways, any valuation done for any brand, please throw light?

2: How much percentage of production is spent on R&D?

3: On page 28 onwards we have incorporated 6 types of capitals namely-financial, manufacturing, intellectual, human, social and relationship and natural capital. Sir, which do you give more importance? According to me in the present circumstances, I feel the last, i.e. natural is very much important and especially zero carbon footprints and environmental.

4: Demand for copper has gone up. Sir, have we come with any alternatives?

5: Did you face disruptions in the supply chain, especially some of our raw materials are from China, any alternatives have come out from this sort of problem?

6: We have two direct subsidiaries, one in Isle of Man and the other is China. Sir, how are they doing? Do they contribute anything to our profits? Could you throw a little light on these?

7: Promoter holding is 59.5%, which should be increased, I feel, by way of creeping. Say up to 5% you can do it, so our market capitalization, we will also become the darling of the stock market just like some shares have become.

So lastly, I support all the resolutions. I wish the company all the best. I liked our company's Vision, Mission and Values and leadership for sustainable value creation and delivery. With this I thank you very much for giving me a patient hearing. I see our company going strength to strength, not only in the

distribution of dividends but also in the market capitalization. With this thank you once again.

Anil Rai Gupta: Thank you very much Mrs. Mascarenhas. Thankyou very much for your encouraging suggestions. I will respond to all the queries, some of the queries club together at the end of all the speakers when they have spoken and some of the queries will also be responded by our Investor Relationship Department, directly to you. But some of them I will take it up when all the speakers have spoken. Thank you very much. Can we move to the next shareholder? I now invite Mr. Yusuf Rangwala.

Havells Team Member: Mr. Yusuf Rangwala, please go ahead, unmute yourself, switch on your video and please proceed Sir with your questions.

Yusuf Yunus Rangwala: Hello, can you hear my voice?

Havells Team Member: Yes sir. Please go ahead sir.

Yusuf Yunus Rangwala: Good Morning Sir. I am very happy with our Company Secretary's team. This is the first time I am joining you, Sir. My dreams come true to be with such an excellent company today. it is 38 years old. Havells is the one of the...one dialogue is very famous 'Havells does not catch Fire'. One more thing, we have many factories all over India, so my humble request is whenever possible after this Covid-19, I would like to visit one. In the opening remark, washing machine, whether we are having a fully automatic or what are the other machines I would like to know. We have a fan division, what is the fan division, how many types of fans? Sir I would also like to join Mrs. Mascarenhas for the request of giving me discount coupons. Havells is available all over can buy the electrical fans, tube lights everything Sir. Havells is one of the leading company Sir, and it is the first time I am joining and my humble request, when in Bombay, any get-together is there, you please call me, so that I can meet you. I would like to have a photo of you Chairman Sir. If possible, can you send me a photo of you Sir? I would like to keep it with me. Sir, nothing more to add. When was the last.. how many years have passed by? Now I will say Sir, *bonus ki barsat ho aisi, aur humein aapka intezaar hai Sir. One is to one ho jaye aur aapka jo*

rate Rs 948 hai abhi cut gaya hai Sir. Next year we will accept the bonus in 39 years Sir. What is the view regarding the bonus, my humble request? Sir washing machine, are we having a fully automatic Sir? Who is our main competition? Whirlpool, Bosch, Kelvinator and one more is Samsung? Are there three leaders Sir? Leader is not required, thank you very much. *Jai Hind, Jai Maharashtra, Vande Matram* and I support all the resolutions. My good wishes Sir. Thank you, Sir, Bye Sir, have a good day Sir.

Anil Rai Gupta: Thankyou very much Mr. Rangwala. I will specifically answer after all speakers have spoken. I now invite Mr. Jaydeep Bakshi, who has registered himself as a speaker.

Havells Team Member: Mr. Jaydeep Bakshi please unmute microphone, switch on your webcam and please proceed with your questions.

Anil Rai Gupta: May I request everyone to keep their questions to not more than 2 please.

Jaydeep Bakshi: Good Morning Mr. Anil Gupta Chairman.

Anil Rai Gupta: Mr. Bakshi you are on mute.

Jaydeep Bakshi: Ok. Am I audible now Sir?

Anil Rai Gupta: Yes.

Jaydeep Bakshi: Good Morning to all present and thanks to Mr. Sanjay Gupta our Company Secretary for keeping in touch with us through emails and giving me an opportunity and platform to express my views for the first time this time. Sir how much has been the business affected u due to the supply chain disruption as has been the question of earlier speakers also and distribution network in reaching to our customers? What is our present capacity utilization across 14 manufacturing units? What are the plans to overcome the sluggish economic situation the nation is passing at present? Performance of the company possible due to the hard work and service and dedicated work by our workforce during these struggling Covid times. Sir people are staying

indoors; how much has been gained in this business and the performance of our Lloyd consumer appliances, can I get some highlights? What is our capital expenditure plans for the coming years, for 2-3 years? I once again congrats to the management for the dividends which we have received and also for the awards and would mention the CSR activities which we take as always. What are our steps to adjust to the new normal and plan for expansion in our new geographical footprint? Sir, R&D and the innovation, quality products under the Center for Research and Innovation has been good, as always. What is our brand reach and position and how much are we placed from our competitors? We have just now launched the refrigerator section, what is the market's feedback and what is our waste management and plans and on the recycling project. Sir I would request the marketing department to go on more penetration to put some stress on advertisement in the TV commercial to reach the increase in the customer base also. We should have focus on increase in our sales and capture the new entrants in the market and increase our market capitalizations. Sir I would request, we don't have any factories or units in Eastern side especially in Bengal. See if you can put up plans to set up in this and which can cater to the Southeast Asian market in future also. Regarding this MSME sector which the government is boosting, how much are we cooperating with them? Nothing to add more, I have full faith with the company management and sir under your leadership I hope that the company will rise to greater heights and Sir one more request with this video conference we get an opportunity to connect from Kolkata, though I am holding the shares from a long time, this helps us. In future also even if the situation improves, kindly allow us to connect through this video conference. Thank you so much sir.

Anil Rai Gupta: Thank you so much Mr. Bakshi. I now invite Mr. Chetan Chadha who has registered himself as a speaker to express his views.

Havells Team Member: Mr. Chetan Chadha please unmute your microphone, switch on your webcam and proceed with your question sir.

Chetan Chadha: Can you hear me?

Havells Team Member: Yes Sir, we can.

Chetan Chadha: Thank you sir for giving me the opportunity on this portal. This is the second AGM from via OAVM portal. First of all, I want to congratulate to the management for doing the good job at this year. This year we have got a profit of Rs. 1931 Cr. Our EPS is going so much higher and we have given only the interim dividend of Rs.3 and final dividend is 3.5 which is so...think about for the management. *Sir jab management ke paas itna huge cash hai aur kaafi badhiya profitability hai uske bawajood bhi management ne shareholder ke bare mein kaafi kam socha hai to management ko iss samay mein Shareholder ke baare mein sochne ki kaafi zyada zaroorat hai.*

Jo page number 6 pe is saal humne new products launch kiye hai electronic equipments ke, uske liye bhi mein management ko kaafi badhai deta hoon ki unhone is pandemic situation ke andar bhi naye products ko launch karne ke bare mein socha hai aur apne cash ko wahan diversify karke apne business ko bhadane ki koshish ki hai. Humare paas 14,000+ ka strong network hai dealers ka uska bhi humein kaafi achha benefit mila hai. Jahan tak hum apni EPS dividend percent ki baat karte hai to last year humne 41% ka dividend distribute kiya tha aur iss saal humne 39% ka dividend distribute kiya hai. Iss bare mein management ko sochna chahiye jab ki humari profitability last time ke mukaable mein badhi hai. Mai is madhyam pe jo secretarial department ne mujhe link bheja hai uspe mein juda hua hoon, lekin mere kuch mitr bhai hai jo AGM pe normal way pe login karne ki koshish kar rahe hai ya mujhe baar communicate kar rahe hai, wo normal way mein AGM ke madhyam pe judd nahi paa rahe hai. Ye jo zoom ke maadhyam se hum aapse jude hue hai ye NSDL ke normal portal pe hum aapke saath....jo baaki ke shareholders hai jo mere family members aur bhi hai wo bhi aapke saath judne ki koshish kar rahe hai, to wo bhi nahi jud pa rahe hai, Iska kya reason hai, management ko is baare mein management ko thoda dhyan rakh ke dekhna chahiye. Jab humare secretarial ke Company Secretary jo speech de rahe they wo iss portal pe bhi samajh nahi aa rahi thi, usmein bhi clarity ki zaroorat hai, uske baare mein bhi humein sochne ki jaroorat hai. Gupta ji mai aapke saath kaafi saalon se juda hua hoon aur aapki AGM pichle kai saalon se attend kar raha hoon. Ye humari jo AGM hai 38th hai, jo ki maine kam se kam 15..... jab aapke father sahab bhi they tab se 15-16 AGM aapki attend ki hui hain aur mai chahta hoon aane wale time mein agar ye situation normal way mein aa jati hai jo hum iss pandemic situation mein handle kar rahe hain, to I think log bhi iske liye ab kaafi prepare ho chuke hain, humari

govt ka aisa manna hai ki third wave bhi upcoming ke andar lineup mein hai. Agar next AGM ke time take situation thodi handle hoti hai to aane wale time mein hum AGM ko jis tarha se physical manner mein karte aa rahe hain aur aap logon se humein roobaroo milne ka mauka milta aa raha hai, koshish kare managemnet ki aap logon ke saath humein milne ka mauka bana rahe aur jo hum AGM hai ussey physical manner mein karne ki koshish karein taki jo vyakti iss madhyam pe judne mein saksham nahi ho pa rahe hain ya kuch aise log hain jo NSDL portal ke badalne.....kyuki iss 7th June se NSDL ka portal badal gaya hai, usmein log in ka bhi jo madhyam hai kaafi badal gaya hai usmein bhi kai logon ko changing ho gayi hai to uske andar jo log jud nahi pa rahe hain wo physical manner mein to aapke paas jude hue the aur aagey bhi jud payein iss baat ke liye management hamari request ko dhyaan mein rakhe aur aagey se physical... agar normal situation ho jaye to AGM ko physical manner mein karne ki koshish kare. Dhanyawad. Thank you, Sir. Thank you so much.

Anil Rai Gupta: Thank Mr. Chadha, I definitely remember you from our past AGMs and I have always valued your valuable suggestion in the past as well and as of today. We will definitely look into the suggestions made by you. I now invite Mr. Santosh Bhutani, who has registered himself as a speaker to express his views and ask questions.

Havells Team Member: Mr. Santosh Bhutani, please unmute your microphone, switch on your video and please proceed with your question, Sir. Mr. Bhutani we can see you but cannot hear you, please unmute yourself.

Santosh Bhutani: *Ab mein bol sakta hoon meri awaaz aa rahi hai?*

Havells Team Member: Yes Sir.

Santosh Bhutani: *Sabse pehle to mai bohot shukriya karta hoon Company Secretary aur aapki team ka aur specially aapne mujhe jo mauka diya hai mujhe apni baat ko rakhne ka. Poorv vyakhtaon ne kai sawaal jo mere the unko cover kiya hai. mai ye samajhta hoon ki company jo hai pichle kai saal se badi achi track pe chal rahi hai, investor ko acha appreciate kar rahi hai. Humara share bhi jo hai humein kaafi achi return de raha hai. Haan bonus ki baat zaroor saamne aa rahi hai. Mai ye samajhta hoon ki company uchit samay par dekhte*

hue bonus ke baare mein bhi vichar kare aur apni expansion jo hai usmein kya sochti hai ki humari jo products hai, quality jo hai wo top class hai. World-class jo competitor hain unko takkar deti hai sab, aur mai chahunga jo states humein incentives deti hain ya jahan pe humein benefit milta hai uss state mein hum jayein.... Jaise Gujarat hai, abhi UP mein jo Yogi ji hain wo bhi bada encourage kar rahe hai ki aur bhi companiyan yahan ayein, industry lagayein taaki logon ko rozgaar milen aur company ko bhi aagey badne ka aur apne products ko jo hai aur badane ka sochein. Sir aapne bada acha step liya tha, jo aapne peechey AC liya hai kaafi acha uska response aaya hai... Lloyd walon ka lights ka. Mai ye samjhta hoon iss tarha ki aur bhi koi cheezein hain jo usko aap apne product mein add kejiye taki company jo hai aur revenue generate kar sake, profitability generate kar sake aur company jo hai jitne bhi competitor hai unko jo hai bohot acchhi takkar de sake. Ek sawaal last mein ye aata hai ki Sir humara market share jo hai domestic market mein kya hai aur overseas market mein hum kis roop mein khade hain aur kitna overseas market mein revenue generate kar rahe hai. Aur countries ke andar bhi hum apni vistaar karne ke liye humari kya yojnayein hain? Yahi kuch chandd sawaal mai Chairman Sir aapse jaanbna chahoonga. Aur saath he saath meri aapse ye request bhi hai Sir ki humara jo RTA hai, Link Intime, ye humko support nahi kar raha, hum demat ke liye share dete hain, unnecessary jo hai, kehte hai banker se aap signature verify karwayein, dusri taraf kehta hai aap Rs.100 ke stamp paper pe notary public se karwayein. Ye jo Cheez Hai, virodhabhas hai, ye kuch samajh nahi aata. Ya to jo banker hai jiske saath humara link account hai, uss banker se hum Rs. 200 dekar apne signature attested karwa dete hai, fir wo affidavit ki maang uthata hai, ye sir uchit nahi hai. Mai Sanjay ji se bohot achey se parichit hoon aur wo apne kaam ko bade he achey se karte hain. Main unko Competent Motor se jaanta hoon. Aur mai unse vyaktigat roop se bhi....ab milna mushkil ho gaya hai, mai request karunga aapke maadhyam se ki wo RTA ko instruction de ki wo iss tarha se bonafied, jo apne share ko physical shares ko demat mein karna chahte hain, unko pareshani mein na layein. Aur doosri cheez, jo unpaid dividend [company](#) ke pade hue hain Sir kyunki aap log bohot achey se correspondence karte hain, unko dusre fund mein jaane se pehle investor education fund mein jaane ke pehle bhi aap ek baar investor ko bhi aap mail zaroor karein, ek reminder dein. Waise to aapke jaate hain baaki jo jiski hai kami, jo log nahi karr pa rahe hai unki madd bhi karein. Mai inn shabdon ke saath Chairman sir aapka aur humare CFO sahab ka jo ki maney hue India ke bohot

he...jinko humne dekha tha Delhi ke Leela hotel mein, best award mila tha CFO ka aur team ka kyunki management humari bohot achi hai aur humare jo humare employee hai wahi unka asar hai, wo bhi bohot achey hain. Mein each and every employee ko jo ye mahamari mein ye kaam kar rahe hain, chahe wo factory mein hai, plant mein hain ya office mein hai, mai sabko tahe dil se shukriya adda karta hoon aur ummeed karta hoon wo swasth rahein, achey rahein aur aapki rehnumai mein company bohot tarrakki kare. Inn shubhkamnaon ke saath mai jo humare promoter hai, jo unki guideline thi, jo unki seekh thi, unki jo philosophy thi, aap usko aagey bada rahe hain. Iske liye mai aapko tahe dil se shukriya ada karta hoon, shubhkamnayein deta hoon. Bohot bohot shukriya Chairman Sir. Mein Subhash Bhutani aur sabke saath aapka bohot bohot dhanyawad deta hoon. Thank you very much Sir.

Anil Rai Gupta: Thank you very much Bhutani ji. Aapka bohot bohot Shukriya. Now I invite Mr. Ravi Kumar Naredi, who is our last registered speaker for today.

Havells Team Member: Mr. Ravi Kumar Naredi please proceed, Sir.

Ravi Kumar Naredi: Hello, can you hear me?

Havells Team Member: Yes sir.

Ravi Kumar Naredi: I have only 3 questions Sir. The first one is regarding solar power solutions. We provide solar solutions to consumers as well as industry. Sir I just want to understand more about this division. Any color or sales data or the target sales plan in the next 1-2 years because in this segment the opportunity is very big. So particularly I mentioned this segment. My next question is regarding our Rural Vistaar program. The company adding up a distribution network in the rural and semi-urban market. My question is, I want to understand how much percentage of sales we have from rural market and what percentage of our sales mix you will target? And as per our assessment, how much area we covered in the rural and semi-urban markets? My last question is regarding Lloyd. 70-80% of turnover we have from AC and remaining from other products. Sir Havells is a more big brand than earlier. My question is, does management have any plan to launch these products in Havells brand or continue with Lloyd brands. That's it. Thank you.

Anil Rai Gupta: Thank you so much Mr. Naredi. I now invite Mr. Manish Kaushik on behalf of all the non-registered shareholders as a speaker to put up their questions, if there have been any. Manish as you have heard all the speakers, if there is any specific question which is not put up by the registered shareholders you may now speak.

Manish Kaushik: Good Morning Mr. Chairman Sir. I would be asking questions on behalf of shareholders who have put their questions through chat mode. All of the questions have been covered with the other shareholders, but there are two unique ones. The first question is- What are the future prospects of the company? and second is- Would we be holding the AGM meetings in physical mode once the Covid situation is normalized?

Thank you.

Anil Rai Gupta: Thank you. Now I will take the opportunity to answer the queries combined together more in a general form. There are certain specific queries which obviously have been noted by our investor department and they will be separately answered to the registered shareholders. But taking a few general questions.

There was a question by Mrs. Mascarenhas regarding the strength of brands and the utility of having 5 brands. So, I believe we have Havells, REO, Crabtree and Standard, Lloyd, all these brands cater to certain customers, certain product categories and have relevant significance to the kind of consumer that we have. For example, Havells is a mass-market electrical brand. Lloyd is a consumer durable brand. Standard is an influencer-oriented brand. Crabtree is an architect-oriented brand, REO is a brand that is for affordable housing and also goes into the rural sector. There have been very very specific requirements of having these brands. Also combining this question with Mr. Ravi Naredi's question, whether we have any plans to change the brand of Lloyd to Havells. As I said, Lloyd caters to a certain product category and hence has a very good brand lineage for that product category, like the air conditioners, washing machines. So, we do not have, at the present moment, any plans to change the brand. There was a specific question about our investments in R&D. More and

more our investments and R&D have been increasing with the vast product range and you will be happy to know that your company is coming out with extremely innovative products which are top of the line, which are much ahead of the competition and hence we get the requisite premium in the market for our brands and that continued, the investment will continue over a period of time; our investment department would come back to you with a specific percentage of sales what we are spending but that I can tell you, we are constantly increasing the spending on the R&D. There were questions about alternatives to copper. One thing we can tell you that R&D is continuously evaluating more and more raw materials, constantly working on materials. We have a center for excellence on materials and that constantly evaluates what is best not only for the product but also for the consumer. There are alternatives being developed. However, one has to see what is the best in the interest of the consumer. There were supply chain disruptions throughout the year due to the pandemic. However, as I mentioned my speech, our supply chain divisions and manufacturing processes were extremely agile and hence, in the past year, we were able to gain market shares as compared to the competition, both in the organized and the unorganized sector. We believe your company has been able to do a much better job in managing these supply chain disruptions. There was a question about whether factory visits can be done. We do encourage our shareholders to visit our factories at any point of time. You can get in touch with our investor relations department and whenever you are traveling to the factory, we will definitely take care of your factory visits. There was a specific question about how much business was affected, not only last year in the first quarter, but this year also in the first quarter. Business was definitely affected. But again, I thank all the employees of the organization, all the stakeholders of the organization who really work extremely hard to ensure that the company made record profits and record revenues in the past year where practically we had only about 10 months of sales. And I think going forward, specifically it was asked how we will take care of the sluggish environment. This is exactly how we are going to take care in the future also. The agility in the company is definitely there to look at the market demands and accordingly adjust to that. We have aggressive CAPEX plans going forward. Given the fact that your company depends mainly on in-house production, more than 90-95% of the production is done in-house and hence we continue to invest in CAPEX which definitely gives us, again the brand differentiation and the

product differentiation, and the premiumization for our brand and helps gain a better return on capital as well as return on sales as compared to competition. Our brand reach and competition has constantly been improving over the last few years. In the last 10-15 years we have been constantly invested in brand enhancement as well as distribution enhancement and hence our reach is probably one of the widest in the electrical industry. Mr. Chadha's comment about the dividend payout and the shareholder concern; definitely there is a dividend policy in the company and the board has always tried to balance the need for the shareholders and the company needs for further expansion and hence certain dividend is decided every year based on the dividend policy. Mr. Bhutani definitely asked about the overseas plans for the company. The company is catering to the increasing demands in the domestic market. We have about 5% of our revenues coming from the overseas markets which are constantly under development and the idea is to develop brand and distribution channels for certain markets and that will continue to increase. Mr. Naredi asked questions about solar solutions. Our solutions constantly are looking at the kind of product range which can go through our distribution channel and a brand, so there is a lot of focus inverter based solar solutions. So, that is constantly increasing. You are right, there is huge opportunity in the development of solar solutions which our teams are looking at. Our Rural Vistaar forms 4% of our consumer and residential demand which grew over 100% over the last year and we believe this part of the business has a huge potential to grow in the coming times. With this, Manish last question about the future prospects of the company, I do believe that the company has invested over the last few decades in brand, production, manufacturing, R&D, distribution enhancement and that puts the company in great state for the future as well. The innovation will be the key driver for the company in the future times. The company will continue to invest in brand, production, manufacturing and will ensure that our market shares continue to enhance in coming times as well. We will definitely look at the possibilities of how to handle the AGM in the future. This depends upon what the authorities come out with and what new plans will be and we will come back to you on that. With that, thank you very much and I now request Sanjay to take over. In fact, I would also say the members attending the AGM today who have not already cast their vote by remote e-voting, may cast their vote on the remote e-voting platform now.

You are given 15 minutes time to do the e-voting. I once again thank you all for participating in the AGM.

Sanjay: Thankyou sir. I now formally propose a vote of thanks to the Chairman and hereby declare the proceedings as closed. I thank all of you for being with us this morning and attending this AGM. Thank you everyone. Thank You.