

**TRANSCRIPT OF 30<sup>TH</sup> ANNUAL GENERAL MEETING OF GREENPLY INDUSTRIES LIMITED**  
**Day: Wednesday, Date: 30.09.2020 and Time: 10:00 a.m. to 10:50 a.m. (IST)**  
**Mode: Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”)**

**DIRECTORS AND KEY MANAGERIAL PERSONNEL IN ATTENDANCE THROUGH VC / OAVM**

Mr. Rajesh Mittal, Chairman cum Managing Director

Mr. Manoj Tulsian, Joint Managing Director & CEO

Mr. Susil Kumar Pal, Independent Director and Chairman of Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee

Mr. Vinod Kumar Kothari, Independent Director

Mr. Upendra Nath Challu, Independent Director

Ms. Sonali Bhagwati Dalal, Independent Director

Mr. Mukesh Agarwal, Chief Financial Officer

Mr. Kaushal Kumar Agarwal, Company Secretary & Vice President-Legal

**OTHER REPRESENTATIVES IN ATTENDANCE THROUGH VC / OAVM**

Mr. Jayanta Mukhopadhyay, Partner of B S R & Co. LLP, Statutory Auditors of the Company

Ms. Nidhi Bagri, Proprietor of Nidhi Bagri & Company, Secretarial Auditor of the Company

Mr. Dilip Kumar Sarawagi, Proprietor of DKS & Company, Scrutinizer

Mr. Kaushal Kumar Agarwal	<p>Good Morning to all of you.</p> <p>Myself, Kaushal Kumar Agarwal, Company Secretary of Greenply Industries Limited welcome you all to the 30th Annual General Meeting of the Company.</p> <p>To comply with the social distancing norms issued by the concerned authorities, the 30th Annual General Meeting of the Company is being conducted through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) which is in line with the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 issued by the Ministry of Corporate Affairs and SEBI Circular dated 12<sup>th</sup> May, 2020 in this regard.</p>
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	<p>To experience smooth and seamless conduct of the AGM, the audio of the members will be kept muted and their video will be kept off.</p> <p>After Chairman cum Managing Director completes his deliberations, the shareholders, who have already registered themselves as speaker, will be given an opportunity to speak and raise queries, if any. All the queries from shareholders will be answered in one go.</p> <p>The Host on behalf of the Central Depository Services (India) Limited will enable the speaker shareholders one by one serially to speak. If any audio/video failure is experienced at the shareholders' end, then, the Host will invite the next shareholder. Any member who faces any technical issue during their turn, may be invited again once the other members completes their speech. Please note that the proceeding of the meeting is being recorded.</p> <p>Speaker shareholders are requested to keep their place well lightened, noise free and speak loudly through their devices and also requested to limit their speech to 3 minutes.</p> <p>As per the Article 140 of Articles of Association of the Company, the Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.</p> <p>The Chairman of the Board Mr. Rajesh Mittal is present and accordingly he will preside over the 30th Annual General meeting of the Company.</p> <p>As per the attendance, requisite members are present and therefore, the Meeting is duly convened, constituted and is in Order.</p> <p>Now I request CMD Sir to address the shareholders.</p>
Mr. Rajesh Mittal	<p>Good Morning Ladies and Gentlemen,</p> <p>A very warm welcome to everyone present and thank you very much for joining us today to discuss Greenply's operations for the year ended 31<sup>st</sup> March, 2020. In the midst of this continuing pandemic, I hope and pray that all of you are safe and also taking care of your health as this</p>

will help us to come out stronger. It gives me immense pleasure to welcome you all at the 30th Annual General Meeting of the Company. Let me introduce the board members of the Company;

Mr. Manoj Tulsian, Joint Managing Director & CEO  
Mr. Susil Kumar Pal, Independent Director; Chairman of Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee  
Mr. Vinod Kumar Kothari, Independent Director  
Ms. Sonali Bhagwati Dalal, Independent Director  
Mr. Upendra Nath Challu, Independent director

We are also joined by;

Mr. Mukesh Agarwal, Chief Financial Officer  
Mr. Kaushal Kumar Agarwal, Company Secretary & Vice President - Legal  
Mr. Jayanta Mukhopadhyay, Partner of B S R & Co. LLP, Statutory Auditors of the Company  
Ms. Nidhi Bagri, Proprietor of Nidhi Bagri & Company, Secretarial Auditor of the Company  
Mr. Dilip Kumar Sarawagi, Proprietor of DKS & Company, Scrutinizer

Mr. Sanidhya Mittal, Joint Managing Director is unable to attend the meeting due to preoccupation. I would like to inform that Mr. Anupam Kumar Mukerji, Independent Director has resigned from the Board of Directors of the Company with effect from the close of working hours of 31st March, 2020 as he has not been keeping well due to his eye sight issues. The Company appreciates his valuable contribution and support during his term as an Independent Director of the Company. I would like to sincerely pay my regards and thanks to Mr. Mukerji for his support and contributions to the Company.

The Company has appointed Mr. Manoj Tulsian as Joint Managing Director & CEO of the Company for a period of 5 years with effect from 11<sup>th</sup> February, 2020. He has experience of around 25 years in the area of strategic initiatives, Finance & Accounts, Merger & Acquisitions, commercial functions including materials management and procurement, secretarial, legal and information technology. Also over the last few years he has gained rich

experience in handling Company's operations and has been part of Senior Leadership Team.

During the year under review, your Company posted revenue of Rs. 1273.87 crores and Profit of Rs.32.60 crores on standalone basis. As per the consolidated financial statements, the revenue and profit for the year 2019-20 were Rs. 1422.47 crores and Rs. 47.25 crores respectively. The profit for the year 2019-20 was lower due to an impact of exceptional item of Rs. 49.97 crores, which we have accounted for in the Q4 FY2019-20.

I will now explain in detail the exceptional item. Pursuant to an order passed by honorable Supreme Court, the company may have to refund a maximum principal amount of Rs. 27.09 crores in respect of excess refund which was received from Excise Department.

While there is no clarity with regard to applicability of interest but in line with our conservative accounting policy, we have estimated an interest amount of Rs. 21.20 crore from the date of various refunds till 31st March, 2020, at the prescribed rate. In addition to this, the company has to reverse income of Rs. 20.99 crores in respect of pending refund receivable from Excise Department for the period from April 2008 to 16th May 2015. Since this amount has not been received by the Company, there is no cash flow impact. The said honorable Supreme Court ruling pertains to a year prior to the recent demerger of the Company. As per the Scheme of Demerger, the principal amount of Rs. 27.09 crores along with interest, if any, shall be shared by Greenply Industries Limited and Greenpanel Industries Limited in a ratio of 60:40. Therefore, the company has recorded provision of its share of 60% for principal and interest amounting to Rs. 16.26 crores and Rs. 12.72 crores respectively.

Net worth increased to Rs. 356.96 crore as on 31st March 2020 compared to Rs. 331.34 crore as on 31st March 2019.

Net Sales decreased marginally by 1 % from Rs. 1275.76 crore in FY2018-19 to Rs. 1263.07 crore in FY2019-20, largely owing to the loss of sales in March 2020 due to the onset of COVID 19.

EBITDA increased to Rs. 133.93 crore in FY2019-20 compared to Rs. 126.33 crore in FY2018-19.

EBITDA margin increased by 70 bps from 9.90% in FY2018-19 to 10.60% in FY2019-20.

The Company reduced its long-term debt by Rs. 11.70 crore during the financial year and improved its debt-equity ratio from 0.43 in FY2018-19 to 0.40 in FY2019-20.

The year under review was one of the most challenging in recent years; we all witnessed the outbreak of the Covid - 19 Pandemic towards the end of the financial year 2019-20 and the remedial measures taken by the Government causing severe business disruption. The Company's business was doing well before the crisis began and then we were hit with the nationwide lockdown. Our factories were shut for almost two-month period, which has affected business overall. Gabon operations was much better during this period and was not affected so badly, and only saw a shutdown of close to around a week.

The biggest challenge across the last decade has been enhancing resource security. After a number of timber-rich countries banned the export of felled timber, there was a scramble to access this rich resource for the onward manufacture of plywood. In 2016, Greenply became the first Indian plywood Company to commission a timber peeling unit in Gabon (West Africa) with the objective to source the special Okume tree resource. This decision has helped the Company widen its resource de-risking on the one hand and access quality hardwood on the other.

The Gabon unit completed the expansion of its Veneer manufacturing line and started production from 1st week of November 2019. The new lines are catering primarily to the European and South East Asian markets. The FSC certification was also completed and FSC certificate was received on 27th November 2019.

In spite of Indian market being almost non-existent due to COVID 19 pandemic, the unit was able to continue production with reduced manpower due to social distancing measures and dispatch cargo to European and south east Asian markets.

The Company issued COVID-19 alert as per WHO guidelines and adopted suitable policies to safe guard employees and for smooth functioning of Company's operations. Adequate safety measures, including social distancing, wearing masks within office premises and multiple levels of sanitization have been implemented.

You would also appreciate that a reasonable proportion of our business is dependent on the real estate sector, which is also faced with its own set of headwinds. Your Company is currently operating primarily in the structural sphere of interior infrastructure domain with almost all the products in its basket catering to the structural needs of the customers. The demand for readymade furniture is growing. Your company also focused on the value added products to improve margin.

During the year 2019-20, your Company posted a stable performance in the backdrop of a challenging business environment and increased competition from other organized players and unorganized segment. The Company's pan-India distribution network ensures easy availability of products in almost every part of India. Besides, Greenply continued to invest in building its brand through prudent investments that enhanced visibility and recall.

The plywood business of the Company has graduated to a differentiated asset-light model, among the first in the industry to do so through the outsourcing of MAT plywood and through equity participation in new units manufacturing related products.

This will help Greenply in improving revenues and margins without large investments. The Asset-light model also generating higher returns on capital employed.

Going forward, there is an increasing shift being witnessed towards the organised sector owing to brand and quality awareness. With wider choice, product innovation and warranty, being offered by organised players, customers are putting more focus on this segment. We are a plywood solution provider with a presence across all price points in the premium, mid and low segment addressing the requirements of all individual and OEMs.

Greenply is one of the most credible plywood brands in India. If there is one word that would be identical with the Greenply brand, it would be 'trust'. The brand – now in its fourth decade of existence – generates among the highest recalls for any consumer seeking to set up or renovate their homes or even among those seeking to influence those doing seeking to set up homes, which includes an eco-system of architects, interiors, carpenters, contractors and consumers.

We continue to look at new product introductions, like in the last one year we have introduced Green Absolute which is a product that caters very well to the OEM demand. We are the first one to introduce E0 product i.e. Green Gold Platinum, which is emission free product. This is our own thinking going forward and more and more people would love to have this product at their home. So one on the product side, we will continue to look at opportunities within our category.

Our core purpose is to provide value-focused leadership to our industry. For us, it means offering great products and services to our consumers, engaging more with our business partners, delivering long-term profitable growth to our shareholders and remaining responsible to the community and the environment. Plywood, one of the most preferred materials for interior infrastructure, is expected to post strong growth across the foreseeable future.

As a good Corporate Citizen we have various social and environmental responsibilities and for this we are always focusing to strengthen CSR activities which includes plantation, health care, education and various other social activities.

Your Company's outlook remains favourable on account of its product integration capabilities, growing brand popularity and the continuous support from its employees, shareholders, bankers, vendors, consumers, distributors and dealers.

At Greenply, our principal objective is to enhance value for stakeholders, the entire family comprising shareholders, customers, vendors, employees and community.

	<p>I am grateful to all of you, our employees, partners, customers, bankers and other associates for good wishes in all these years. I am confident that you will continue to support our vision going forward.</p> <p>Further, I am interested in the item number 3 of the notice of the AGM.</p> <p>With these words, I conclude my speech with thanks to all of you for your whole-hearted support.</p> <p>Thank You,</p> <p>Now I request Mr. Kaushal Kumar Agarwal, Company Secretary, to proceed with rest of the proceedings of the meeting. Mr. Kaushal.</p>
Mr. Kaushal Kumar Agarwal	<p>Thank you CMD Sir. Now I request the Host to invite the speaker shareholder to raise their query, if any. Mr. Vijay Karpe registered himself with the Company as speaker in the meeting.</p>
Host on behalf of Central Depository Services (India) Limited	<p>Thank you Sir, there is no speaker for the event. Mr. Vijay Karpe has not joined the meeting till now. So, we can move to the next agenda items.</p>
Mr. Rajesh Mittal	<p>Now I request Mr. Kaushal Kumar Agarwal, Company Secretary, to proceed with rest of the proceedings of the meeting. Mr. Kaushal.</p>
Mr. Kaushal Kumar Agarwal	<p>Thank you Sir,</p> <p>I would like to inform that;</p> <p>The Financial Statements for the financial year ended March 31, 2020 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 as 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 website of the Company or available electronically for inspection by the members throughout the meeting.</p> <p>The Notice convening the meeting has been with you. With your permission, I shall take the same as read.</p>



The Statutory Auditor's Report did not contain any qualification, observations or comments on any financial transaction or matter which have any adverse effect on the functioning of the Company. Therefore, it is not required to read the Statutory Auditors' reports in the Annual General Meeting.

The Secretarial Auditor's Report contains the observation that:

*"The total amount to be spent by the Company for the FY 2019-2020 was Rs.325.33 lacs. As against that the amount spent by the Company during the FY 2019-2020 either directly or through its Trust amounted to Rs.469.34 lacs (including brought forward unspent amount from previous years). Accordingly, the Company has exceeded its CSR spending during the FY 2019-2020 against the requirement of Section 135 of the Act, 2013 i.e. 2% of the average net profit of last 3 financial years. The Company had taken the decision to spend the carried over unspent amount of Rs. 205.88 lacs (net of liabilities of Rs. 0.17 lacs) lying with Trust and Rs. 37.49 lacs lying with Implementing Agencies as on 31.03.2019. Considering the carried over amount, the amount spent during FY 2019-2020 is less than the minimum allocation of CSR being 2% of the average net profit of last 3 financial years amounting to Rs. 325.33 lacs in total. The Trust has also earned Rs.3.04 lacs on temporary investment with Banks/Mutual Funds during FY 2019-2020. We have been informed that the unutilized fund lying with the Trust as on 31.03.2020 amounting to Rs. 87.15lacs (net of liabilities of Rs. 0.37 lacs) and the amount of Rs. 18.08 lacs lying with Implementing Agencies will be used for CSR activities along with fresh funding, if any, from the Company, during FY 2020-2021."*

The comments and explanations of the Board of Directors on the Secretarial Auditor's observation have been provided in the Board's Report.

As already informed, the Meeting is being conducted through Video Conferencing and the Company provided remote e-voting facility to all the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the 30<sup>th</sup> 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 were kept open from 10:00 a.m. on September 26, 2020 to 5:00 p.m. on September 29, 2020.

In line with the provisions of Clause 7.1 of SS-2 on General Meetings, 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, in order to enable the members present at the meeting and who have not availed the facility of remote e-voting, to cast their votes, an electronic voting facility at the AGM has been arranged and voting will be taken in respect of all the business contained in the Notice.

Mr. Dilip Kumar Sarawagi, Practicing Company Secretary, has been appointed by the Board of Directors as the Scrutinizer, for scrutinizing the remote e-voting and the e-voting at this AGM and to give report thereon in the prescribed manner.

Now, as advised by the CMD Sir, I will proceed with the following businesses as set out in the Notice convening the 30th Annual General Meeting for consideration and approval of Members. There are total three businesses in the notice and all are Ordinary businesses.

**Ordinary Businesses:**

- 1 Consideration and adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31,2020 including the Audited Balance Sheet as at March 31, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors, and Auditors thereon and also Consideration and adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 including the Audited Balance Sheet as at March 31,

	<p>2020 and Statement of Profit &amp; Loss for the year ended on that date and the Report of the Auditors thereon.</p> <p>2. Declaration of final Dividend of 40 paise per share i.e. 40%, on Equity Shares of the Company, for the Financial Year ended March 31, 2020.</p> <p>In the CMD Sir's speech, CMD Sir has already informed that, he is interested in the business at item number 3 of the notice and accordingly he will not chair the meeting for the same agenda. So, I request the Directors present to elect anyone amongst themselves to Chair the meeting for transacting the item no. 3 of the notice. With the permission, Mr. Susil Kumar Pal, Independent Director of the Company is elected as the Chairman for the item no. 3 of the notice.</p>
Mr. Susil Kumar Pal	Thank you Mr. Agarwal, You can carry on with the next agenda item.
Mr. Kaushal Kumar Agarwal	<p>Thank you Sir.</p> <p>3. Appointment of a Director in place of Mr. Sanidhya Mittal (DIN: 06579890), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.</p> <p>E-voting facility for voting at the AGM provided by the Company shall be open for the members present at the meeting, for 15 minutes from the conclusion of the Meeting.</p> <p>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 also be sent to the Stock Exchanges. Further, the transcript of the AGM proceedings shall also be uploaded on the website of the Company.</p> <p>As we are approaching the closure of this meeting, I would like to convey hearty thanks to CMD Sir for sparing his valuable time to conduct the 30th AGM, enlightening various important aspects of the business and prospects of the Company. I would also like to thanks all the directors, CFO, statutory auditors, secretarial auditors, scrutinizer, all staff of CDSL, Host, Coordinator and all the shareholders for their participation.</p>

	<p>Thank you all once again.</p> <p>With this I would like to convey hearty thanks to all of you for your participation and the 30th Annual General Meeting is now concluded.</p> <p>Now I request CMD Sir to declare the formal closure of this 30th AGM.</p>
Mr. Rajesh Mittal	<p>The 30th Annual General Meeting is now concluded.</p> <p>Thank You Very Much.</p> <p>Stay Safe and Stay Healthy.</p>