

ORIENT ELECTRIC LIMITED

Transcript -5TH Annual General Meeting – July 29, 2021

Mr. Hitesh- Company Secretary: Good afternoon, shareholders, Directors and other dignitaries. I, Hitesh Kumar Jain, Company Secretary, welcomes you all to the fifth Annual General Meeting of the shareholders of Orient Electric Limited. Before I hand over to the Chairman to start the proceedings of the AGM, I would like to highlight a certain point here. This fifth AGM is being held through audio visual means as per the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Further, as per the said circulars the requirement of sending the physical copies of the Annual Report for the financial year 2020-21 to the shareholders has been dispensed with. Accordingly, the Annual Report for the financial year 2020-21, along with the Notice of the fifth AGM have been sent by electronic means only, to all those shareholders whose email addresses were registered with the Company's, Registrar and Share Transfer Agent or Depositories. All the shareholders who have joined this meeting are by default placed by the host on the mute mode in order to avoid disturbance that may arise from background noise and for conducting this meeting smoothly and seamlessly. If any shareholder is facing any technical issue, while joining this AGM, or requires any support, request to contact the helpdesk of KFin, whose details are provided in the Notice. Since the requisite quorum is present, as per section 103 of the Companies Act 2013 and MCA circulars, the Annual General Meeting may be commenced. Now I request Mr. Chandra Kant Birla, Chairman of the Company to chair the meeting and start the proceedings of this AGM. Thank you sir.

Mr. Chandra Kant Birla - Chairman: Good afternoon, everyone. I, Chandra Kant Birla, Non-Executive Chairman of the Company. I am attending this meeting from London and welcomes you all to the fifth Annual General Meeting of Orient Electric Limited. I hope all of you are safe and in good health. Before we start the main proceedings of the AGM I request my colleagues on the Board who have joined the AGM from their respective locations and the KMP's to introduce themselves. Mr. Desh Deepak Kheterpal, Non-Executive Vice Chairman

Mr. Kheterpal: I am Desh Deepak Kheterpal, Non-Executive Vice Chairman of Orient Electric Limited. I'm attending the fifth Annual General Meeting of Orient Electric from Delhi using this video conferencing. Thank you.

Chairman: Mr. Rakesh Khanna, Managing Director and CEO.

Moderator: Rakesh sir, you are on mute. Thank you, sir.

Mr. Khanna: Good Afternoon.. I am Rakesh Khanna, Managing Director & CEO of Orient Electric Limited. I'm attending the fifth Annual General Meeting of Orient Electric from Delhi through video conferencing. Thank you.

Chairman: Mr. TCA Ranganathan, Independent Director.

Mr. Ranganathan: Good afternoon. I am TCA Ranganathan, Independent Director and Chairman of Audit Committee and Risk Management Committee. Thank you.

Chairman: Mr. K Pradeep Chandra, Independent Director.

Mr. Pradeep: Good afternoon. I'm Pradeep Chandra, Independent Director on the Board of Orient Electric and I'm attending this meeting from my residence in US. Thank you very much.

Chairman: Mrs. Alka Bharucha, Independent Director,

Mrs. Alka: I am Alka Bharucha, an Independent Director and Chairperson of the Nomination and Remuneration Committee and the Stakeholder's Relationship Committee. I am joining this Annual General Meeting from Ooty.

Chairman: Mr. Saibal Sengupta, Chief Financial Officer.

Mr. Saibal: Good afternoon. I'm Saibal Sengupta, Chief Financial Officer. I am attending this meeting from our head office at Okhla, New Delhi.

Chairman: Apart from them, I also acknowledge the attendance of Mr. Vishal Sharma and Mr. Surender Kumar representing Statutory Auditors, M/s SR Batliboi and Company LLP, Chartered Accountants, and Mr. Atul Kumar Labh, practicing Company Secretary as Secretarial Auditor and scrutinizer for this AGM, attending from their respective locations. Participation of shareholders through video conference is being reckoned for the purpose of quorum, as per the provisions of the Companies Act and the circulars issued by MCA. As the requisite quorum is present, I call the meeting to order. I now request the Company Secretary to provide general instructions to the shareholders regarding the participation in this AGM.

Company Secretary: Thank you sir. The facility for joining this meeting through video conference or other audio-visual means is made available for the shareholders. The Register of Directors and KMP, Register of Contracts for arrangements and other documents mentioned in the AGM notice have been made available electronically on the KFin Tech, Registrar and Share Transfer Agent, platform for inspection by

the shareholders during this AGM. As the AGM is being held through video conferencing, the facility for appointment of proxies was not available, and hence the proxy register for inspection is not available. In compliance with the provisions of the Companies Act and the SEBI Listing Regulations, the Company had provided to all its shareholders who are holding shares as on the cutoff date of July 20, 2021, either in physical form or dematerialised form, the facility to exercise the right to vote on resolutions, as set out in the Notice, from resolutions number one to resolution number five, through remote E-voting. The remote E-voting facility was available to the shareholders from Monday, July 26, 2021, 9am to Wednesday, July 28, 2021 5 pm. Electronic voting facility at the AGM is being made available to enable shareholders who have not cast their votes through remote E-voting to exercise their voting rights. The voting window shall be activated upon instructions by the Chairman during the AGM proceedings. Shareholders attending this meeting and have not cast their vote by remote E-voting can vote during the AGM through electronic voting facility. Shareholders can click on the vote tab on the video conference screen to avail this facility. Shareholders may please note that there will be no voting by show of hands. Further, since the meeting is being held through electronic mode, no proposing and seconding of resolution will be there. Some shareholders have registered themselves as speaker shareholders at the AGM. Accordingly, the floor will be open for these shareholders to ask questions or express their views. The Moderator will facilitate this session once the Chairman opens the floor for questions and answers. On announcement by the moderator, the particular shareholder will be unmuted. Before speaking, shareholders are requested to click the webcam button. Shareholders can also post their views or questions on the Ask a Question tab on the video conference screen, during the AGM. It may be noted that the Company reserves the right to limit the number of shareholders asking questions depending on the availability of the time at the AGM. We would further like to request the shareholders to be brief and limit their queries or views to three minutes. Shareholders are requested to refer to the instructions provided in the Notice or appearing on video conference page for seamless participation through video conference and for also voting. In case shareholders face any difficulty, they may reach out to the helpline numbers provided in the Notice. Shareholders may also kindly note that the proceeding of this AGM is being recorded. Thank you very much. May I now request the Chairman Sir, to continue the proceedings of this AGM.

Chairman: Dear shareholders, I welcome you all to Orient Electric's Annual General Meeting. On behalf of the Board of Directors, I would like to thank you for making it convenient to attend this meeting online. The Annual Report for the year ended 31st March 2021 has been circulated to you. With your permission, I take it as read.

Chairman: The year 2021 got severely impacted by the covid 19 pandemic resulting in lockdowns across various parts of the world. The economy witnessed multiple fracture points due to the sudden disruption in economic activities, leading to commodity price pressures, component shortages and supply chain delays.

Financial strengthening in a year of uncertainty and general economic slowdown demonstrates the intrinsic resilience of the business and reaffirms the strategic journey being undertaken by the Company. In the year under review on a flat top line, the Company posted 24% growth in the operating EBITDA and 52% growth in the profit after tax. After quarter one, all business segments of the Company registered growth across the top line and bottom line in the last three quarters of the financial year 20-21.

The announcement of the lockdown at the beginning of the financial year took the industry by surprise. Fans and air coolers which are seasonal products with high dependency on summer months got adversely impacted. The cooler segment was particularly affected by huge channel stock buildup and suppressed sell-outs. However, kitchen appliances and water heater segments have posted impressive growth numbers on the back of increased work from home and increasing e-commerce purchases. Further, the Lighting and Switchgear segments experienced contraction on account of muted institutional demand.

Through these transitions, Orient Electric has remained agile to market developments and has capitalised on the opportunities to strengthen its position. While the peak pandemic impact in the summer season affected sales, Orient Electric took the advantage of pent-up demand and its supply chain strength to post growths in the remainder of the year.

Priority of your Company throughout the pandemic period was on personal safety above everything else. The Company instituted a range of operating protocols directed at enhanced protection for all the employees and extended stakeholders. Through these initiatives, Orient Electric demonstrated its commitment towards the wellbeing of its employees and the stakeholders.

Orient Electric rose beyond challenges with resilience, collaboration and efficient planning. Digitization received elevated importance during the period. And during the year, the Company commissioned Salesforce Automation, Distributor Management System, Transport Management System, revamped Human Resource Management System, digital workflow for cost saving program and multiple other digital initiatives. These swift and successful implementations reflect the commitment and collective spirit at Orient. Further, towards the organisational pursuit of 'Building a Learning Organisation, capability building received a massive impetus. Facilitated by remote work tools, employees across hierarchies participated in creating a continuous learning culture.

Under our structured cost saving program, "Sanchay", the Company initiated many measures including process simplification, redundancy elimination, automation and skill building. Sanchay has now been repositioned as an entity wide ideation platform enabled by digitized workflow. This has led to increased participation, elevated activity levels and improved savings.

It is heartening to share that Orient Electric has been recertified as a Great Place to Work for the second time in a row with improved scores. Your company has also entered the Fortune India 500 and Economic Times ET500 list for the first time.

The Superbrand status has been retained by the Fan division for the fourth consecutive year and by Coolers for the second year. Orient's lighting products have emerged as a superbrand for the first time, signifying the mindshare gains made by Orient Electric in the Lighting category. These external recognitions validate our strategic direction and reaffirm our commitment to all our stakeholders.

The Company's emphasis on innovation and premiumization with a special focus on energy efficient products will continue in the future, apart from the exploration of convenience enhancing smart connecting technologies. The government's mandated BEE star rating regulations for ceiling fans is expected to boost demand for energy efficient products. The mid-term outlook for the consumer electrical industry continues to be optimistic with increased adoption of energy efficient products.

In conclusion, I, on behalf of the Board of Directors, would like to convey our gratitude to all the stakeholders including shareholders, Business Associates, Financial institutions and respective governments for their continued support and cooperation. I would also like to express my appreciation for the entire Orient team for having contributed to the Company's growth and development in the year gone by. Your support inspires us to continuously pursue business excellence and consumer delight.

Thank you.

Now, I will proceed with the agenda. Notice of the fifth Annual General Meeting, along with the Annual Report for the financial year 2020-21 has been sent to the shareholders electronically. With your permission, I shall take them as read. There are no qualifications, observations or adverse remarks in the Statutory Auditor's Report on the financials of the Company for the financial year 2021 and the Secretarial Auditor's Report. Therefore, with your kind permission, I take the Statutory Auditor's Report and the Secretarial Auditor's Report as read. I now take up the resolution as set forth in the Notice of the fifth Annual General Meeting.

Resolution No. 1-Ordinary Resolution for:

Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 along with the reports of the Board of Directors and Auditors' thereon.

Resolution number 2 - Ordinary Resolution for:

Declaration of final dividend of Rs. 1.25 per equity share of the face value of Re. 1 each for the financial year ended March 31, 2021 and confirmation of the interim dividend of Re. 0.75 per equity share, already paid during the financial year 20-21.

Resolution number 3- Ordinary Resolution for:

Appointment of a Director in place of Mr. Desh Deepak Khetrpal (DIN: 02362633), who retires by rotation and being eligible offers himself for re-appointment.

Resolution number 4 - Ordinary Resolution for:

Now I request Mr. Desh Deepak Khetrpal to take up the chair for **resolution number 4**, wherein I'm interested.

Mr Deepak Khetrpal: Thank you, Mr. Birla. As Mr. Birla is an interested party in resolution number 4 in the notice for the AGM. For this particular matter, I will be chairing this meeting. Item number 4 is proposing an increase in the salary of Ms. Avni Birla. The Board this year, keeping in mind the level of her responsibilities, her qualifications and her contribution to the Company has proposed an increase in her salary which is detailed out in the Notice for the AGM, and that is being put up for the shareholders to vote on. Thank you and back to Mr. Birla.

Chairman: Resolution number 5 - Ordinary Resolution for:

Payment of remuneration to Cost Auditors for the financial year ended March 31, 2022, as specified in the notice for the AGM.

Details of the resolutions along with the explanatory statement are provided in the Notice circulated to the shareholders. The e-voting window shall now be activated for allowing the shareholders to vote during the AGM. Shareholders are requested to vote by clicking on the instapoll button visible on your screen. Now I open the floor for questions & answers.

I request the shareholders who have registered as speaker shareholders to give their valuable opinion and suggestions with a request to introduce themselves by giving their full name and folio number before speaking. I now request the moderator to unmute the speaker shareholders, one by one.

Moderator: Thank you sir. We request our first speaker, Mr. Praful Chawra from Hyderabad to kindly unmute your audio, switch on your camera and ask your question sir. Mr. Praful Chawra from Hyderabad.

Mr. Praful: सर, मेरा आवाज़ आ रहा है सर ?

Moderator: You're audible sir. Kindly proceed with your question.

Mr. Praful: जरा कैमरा चालू करता हूँ, कोशिश करता हूँ, ओके नहीं हो रहा है, आवाज़ आ रही है न मेरी ?

Moderator: You can click on start sharing to get your camera on sir but otherwise also you are audible and you can proceed with your question. Thank you.

Mr. Praful: ओके फर्स्ट तो मैं कमपनी का एजीएम फर्स्ट टाइम कर रहा हूँ और मैं बिरला जी को बहुत बहुत शुभकामना देता हूँ की अपनी कंपनी फार्च्यून 500 में आ गयी, इसके लिए बोर्ड ऑफ़ डायरेक्टर्स, एम्प्लाइज, कस्टमर्स, सेल्स टीम के हार्ड वर्क करने के बाद यह अचीवमेंट मिला है, इसके लिये धन्यवाद देता हूँ। सर खासतौर पर यह बात भी प्रोडक्ट्स से सर, एक एक सिंगल - सिंगल प्रोडक्ट्स अगर कोई चाहे तो बस ५० लाख की इन्वेस्टमेंट करने के बाद भी लगा सकते हो, तो कहने का है सर अपने को फ्रिज, टीवी, वाशिंग मशीन, ऐसी जैसा प्रोडक्ट बनाना चाहिए क्यों बोले तो अपना कंपनी का ब्रांड नेम बन गया है। ओरिएंट की ब्रांड नेमके नीचे आज कल सब लोग का ब्रांड नेम में छोटी चीज़ है तो बड़ी चीज़ भी पूछते है की क्या ओरिएंट का टीवी है क्या ? ओरिएंट का फ्रिज भी आ रहा है क्या ?, तो डिस्ट्रीब्यूटर को ना बोलना पड़ता है, जो दूकान में रखता है आदमी अपना प्रोडक्ट्स, वो बोलता नहीं है - टीवी नहीं आता है, तो मैं बिरला जी को खासतौर पर रिक्वेस्ट करता हूँ कि ऐसे भी प्रोडक्ट्स में जाईयें ताकि अपना ब्रांड वैल्यू का अपने को बेनिफिट मिले सर।

सर उसके बाद दूसरी बात बताना है सर की ओरिएंट का की सर्विस के लिये मैंने दूसरी कंपनी के एजीएम में आपसे कंप्लेंट किया था, इसके बाद सर्विस बहुत अच्छा हो गया है और एडमिनिस्ट्रेशन भी अच्छा काम करते है परन्तु सर थोड़ा ऐसा भी काम है अपने जो भी सी एस आर में स्कूल है, स्कूल में ओनली शिक्षा नहीं देना चाहिए, एजुकेशन के साथ साथ टेक्निकेलिटी भी सिखाईये सर जैसे छोटी छोटी बात टेक्निकल में है, इलेक्ट्रॉनिक्स टेक्निकल है, प्लम्बर टेक्निकल है मिस्त्री टेक्निकल है ऐसी बात भी बच्चा बच्चे सीखेंगे तो आगे बढ़ेंगे।

सर अपनी कंपनी में कितने अपाहिज जो आर्मी से रिटायर्ड, है उसको जॉब दिया जाता है ? या जो आर्मी में जखमी होता है, जिसके हाथ कट जाते है, पैर कट जाते है, ऐसे लोगो को भी आप एम्प्लाइज के तौर पर रखते हो या आप जो सैनिक सहीद हो जाता है उसके फॅमिली को भी आप काम देते है ? इसके बारे में बताएंगे

सर आपने धोनी को लिया है पब्लिसिटी के लिए तो कुछ सर्वे किया है क्या की इससे बिज़नेस बढ़ेगा सर ? धोनी को लेने से बिज़नेस बढ़ता है, ऐसा कुछ सर्वे में आया है ? एहि जो आप धोनी को जो पेमेंट करते है इसमें छोटे छोटे प्लेयर ४ या ६ या १० प्लेयर भी आ जाते है, जो तो अपनी पब्लिसिटी के लिए तैयार रहते है।, अभी मैं पूरा बिरला ग्रुप को कहना चाहता हूँ की अभी मीरा बाई जो अभी असम से हैवीवेट चैंपियन में सिल्वर मैडल लेकर आयी, अपने बिरला ग्रुप से इसको शुभकामना भी नहीं दिया गया और कुछ अमाउंट भी नहीं दिया गया, वैसे छोटे आदमी जो आगे आते है तो उनको कुछ न कुछ हेल्प करनी चाहिए १ लाख या २ लाख या ५ लाख रुपया, अपना भी पब्लिसिटी होगा और उन लोगो को अच्छी हेल्प मिलेगी, और दुसरेजो प्लेयर है वो सोचेंगे की कुछ मैडल लेकर आएंगे तो छोटी छोटी कंपनी या बड़ी कंपनी भी उनको हेल्प करके अपना जो भविष्य है आगे का फ्यूचर अच्छा हो जाएंगे, अपने को अच्छे पैसे मिलेंगे, ऐसा भी होगा, ऐसा भी कुछ करना चाहिए और सर ओरिएंट कंपनी का अपना डिस्ट्रीब्यूटर पुरे जगह पर नोटिस हो रहा है, डिस्काउंट कूपन भेज सके तो भेजयियें ताकि डिस्काउंट कूपनसे भी माल परचेस कर सकते है, धन्यवाद सर।

Moderator: Thank you sir. We request our next speaker, Mr. Ramaswamy Ayer Vasudeva from East Delhi to kindly unmute your audio, switch on your camera and ask your question sir.

Mr. Vasudeva: A very Good afternoon to the Chairman. Am I audible sir?

Moderator: You're audible sir, kindly proceed. Thank you.

Mr. Vasudeva: A very Good afternoon to you sir. I am Ramaswamy calling from Delhi. Very good afternoon to Chairman, MD and the Board of Directors sir. I am very happy to attend the 5th AGM of the company sir. The team deserves a good round of applause for the excellent performance and a near all time high profits in the pandemic year. So, a small observation on the Annual Report sir. This annual report deserves a compliment to Mr. Hitesh Jain whose team has properly prepared it very well sir. So, one observation we have, what is our strategy to garner consumer insights through launch of the dedicated mobile app? Like you know, Ploycab is doing through their app, I would suggest a name like, you know, 'Orient Smart Home' which can be, you know, started by our Company, which can be used to shop on the website as well as, you know, to make it as a..... to connect with the IOT enabled product Sir. So, another small observation, we have got a representative office in Dubai, sir. So, in that office, in what way that office is helping our Company and what is the current operation position there? Staff position and you know, expenditure vis a vis earning? If this information can be shared it will be of use to shareholders sir. And, you know, I wish all the best to the Orient team. As addressed by the Chairman, so I would also like to call it as Orient team sir. All the best to the team and you know we expect a lot of you know, like you know we are calling like limitless in the other company. This company should also be of limitless achievements. Thanks a lot for the opportunity sir.

Moderator: Moving on to the next speaker, we request Mr. Jaideep Bakshi from Kolkata, to kindly unmute your audio, switch on your camera and ask your question, sir. Mr. Jaideep Bakshi. Mr. Jaideep Bakshi, we request you to proceed with your question please.

Mr. Bakshi: Good morning Chairman. As you are in London, and good afternoon to all Board of Directors, my MD, the CFO, Myself Jaideep Bakshi connecting from the city of Kolkata. Thanks also to Mr. Hitesh Jain, Company Secretary for giving me an opportunity to express my views. Sir, what is the present capacity utilisation of our plants? Congrats to the entire team for the dedicated support in these difficult times, in this the entire nation is passing and therefore the fight in this period and for the entire support to our entire team. The difficulty in business is faced with several countries because restrictions are in flow and also in house. What are the challenges we have faced in the distribution network? Sir kindly give the feedback on the kitchen appliances and emergency LED lights and also on the switch accessory business. Congrats for the positive results in these difficult times and also for the dividend which you have given to us. The implementation of AI and automation in our daily business. Sir, congrats for the awards and also for the great place to work in 2021 for the second time, which we received and also for entering the Fortune 500 for the first time. Sir, regarding the reduction in the single-use plastic, what is our views? And also, is the raw material price pinching our revenues? And also what are the thought process for the waste management? And in our CSR activities are always great. And we have contributed to the Prime Minister fund and also to the West Bengal Disaster Management team. Sir, what is our

inventory position regarding our finished goods and the raw materials, because there is a suspect that the third wave is also coming up. So how are we planning to cope up? Sir, it's a nice thing with video conference by which we can stay connected otherwise it is not possible for us to reach over there to express our views. And sir, one more thing that the corporate phone number which has been given in the annual report, it is not working. Kindly rectify the same. Sir, I have full faith in the management and I hope with the full support, our brand will rise to further new heights and will shine always, the 'Orient Brand'. Thank you, sir. Thank you all.

Moderator: Thank you sir. Moving on to the next speaker, Mr. Ali Asgar Kagzi. We request you to kindly unmute your audio, switch on your camera and ask your question sir. Mr. Ali Asgar Kagzi.

Mr. Ali: Hi, am I audible? Hello.

Moderator: You're audible sir. Kindly proceed. Thank you.

Mr. Ali: Sure. So hi. Hi, Good evening, everyone. And first of all, congratulations on the performance, the Company has performed. And apologies, I was supposed to send the questions via email, but I saw that late so I could not send it across. So even if some of these cannot be answered, I can reach out later via email. So Sir, my questions were more with regards to longer term view of the Company and I've read and studied the Company quite a lot and I know we are entering into a new segment. So my questions are more in that regard. So one is that, what is our strategy when we enter a new segment? So see, suppose currently, we've entered the consumer appliances division and you know, kitchen appliances division. So, will we be open to sacrificing near term margins in that segment for growth and then, you know, focus on profitability later on? Or do we focus on profitability from the start? So that is my question. And on that only what is the ethos or you know, our internal Company' strategy when we are evaluating any new category or segment to enter into? Like someone, one of the participants just gave an example of entering into white goods. So suppose if you were to analyse that from the Company level, so what all would we look into? Is it top line market share or profitability? On that regard, I come to my next question is, that do we have any plans of growing inorganically? Obviously, I wouldn't want to know any targets as such, but would we be open, if any such opportunity comes by because our OCF has improved substantially, and we are virtually debt free now and the capex wouldn't take more than 200 to 300 crores for the south plant. So anything, any plans of utilisation cash flow in the business apart from the capex. And lastly, Mr. Birla, you yourself, where do you see the Company going 5 to 10 years down the line? I'm sure you would have some strategies, some things in mind. And the Birla group has done great work for other companies. So I mean, what would be the strategy you have\ for this company, 5-10 years down the line, in the longer run? And lastly, the final question is, what according to you, Mr. Rakesh Khanna also the CEO is here, so according to you guys, what would be the biggest disruption or

threat to the business at present, which would, you know, disrupt your plans? So, this was broadly it and thanks again for your time. Good luck.

Moderator: Moving on to the next speaker, Mr. Navin Bothra and Sons. We request you to kindly unmute your audio, switch on your camera and ask your question sir. The representative from Navin Bothra and Sons, kindly proceed with your questions sir.

Mr. Navin Bothra: Warm greetings to Respected Chairman Shree C K Birla sir, Mr. Deepak Khetrpal, Vice Chairman of the Company and MD and CEO Mr. Rakesh Khanna and all the esteemed Board members and the Management team of Orient Electric. It's a great pleasure and privilege to attend the fifth AGM of the Company through video conferencing for the second time in a row. I wish we can meet Mr. Birla someday when the situation improves.

Navin Bothra from Delhi, a shareholder, long term shareholder in the Company since Orient Paper days. I am in innovation and marketing, ESG and CK Birla Group completely fit in this theme of IE & ESG and we can be called as one of the biggest fans of C K Birla Group and its transparent corporate governance. The team under the able leadership of MD and CEO, Mr. Rakesh Khanna has achieved excellent performance during the year in spite of the pandemic and our profit increased by more than 50%. Team deserves kudos for that. Congratulations to the team and applause for the people taking the Company to a net debt free company at the start of the year. It's a matter of pride to all the stakeholders of the Company that we have entered the Fortune 500 list for the first time. Also, it is great pride that we continue to be a great place to work certified company for the second year in a row. We applaud that very much. I highly commend the CSR activities of our Company as well which is in the DNA of CK Birla Group.

Moderator: In the interest of time, we request you to kindly wrap up your questions, sir.

Mr. Navin Bothra: Just, just.. wrapping up. I have the following points for the consideration of Chairman Sir and the earlier speaker has also asked.

I would just like to request if you can share your views on our long term vision to take Orient Electric to a \$ 1 billion revenue company in the foreseeable future.

Organic growth by Hyderabad plant, if you can share the details of current status, timeline, capex requirement as well as its funding modes and the proposed product lines which we are planning in the new plant.

Inorganic growth opportunities: are we looking for any inorganic growth opportunity – if yes, in which product line?

In the Annual Report, page 30 we talk about under penetration of consumer appliances in India vis-à-vis developed nations. So what is the growth of our Company in kitchen appliances range for the last three

years. Request if Chairman sir can share his views as to how we are planning to grab the opportunity and increase our market shares in this segment

Moderator: In the interest of time we request you to wrap up your question sir.

Mr. Navin Bothra: Our largest revenue is from ceiling fan and we are the third largest market brand in this segment. Sir, how do we plan to tackle the threat of competition from others like Philips, Havells and Finolex etc.?

Thanks to the board for declaring a good dividend.

Suggestions: I would like to suggest the board to invest in newest technology startups. We can start a venture like Morgan. Give serious thought to this. All our competitors are doing more these things. So CK Birla group can consider earmarking for a Venture Fund or such other vehicle as the management deems fit, which can invest in new age start-ups to help in the next level of technology development and innovations which may help us take lead position in the segments we operate. .

Thank you management team for starting structured investors concall from tomorrow. Thank you very much Sir for your guidance and Management teams for starting this meeting for the first time from tomorrow. To conclude, I would like to thank Hitesh ji for providing me the opportunity to interact with the management and propose a vote of thanks to the Board. I support all the resolutions put forth in the meeting. I wish Orient Electric all the very best. Thank you very much sir.

Moderator: We request the next speaker, Mr. Arun Kumar Maruti to kindly unmute your audio, switch on your camera and ask your question sir. Mr. Arun Kumar Maruti please.

Mr. Arun: Hello. Am I audible?

Moderator: Yes sir, you are audible, kindly proceed. Thank you.

Mr. Arun: Respected Chairman sir, members of the Board and my fellow shareholders. Myself Arun Maruti, joining this AGM from Delhi. It is a matter of pride and immense pleasure for me to interact with such a legendary personality. Thank you very much for giving me this opportunity. I would also like to thank our secretarial team and compliance officer Hitesh Jain ji, for their regular support and active guidance and prompt responses. I have sir a couple of queries, I would like to ask them. Sir, in the last AGM while replying to my query, Chairman sir, you said about low margins, that we have low margins as compared to our peers. You said that by the end of this year or next fourth quarter, we will be in a position to enjoy industry leading margins. That our Company has shown excellent operational

performance and improved margins despite this tough time. But still, we are missing our target of margins. Sir, I would like to request you to state your thoughts where we stand in. Sir, my next query is that we can see that the entire world is evolving around digital technologies. Company do monitor and analyse real time data for their growth. As our Company is also a good tech enabled company with a strong R&D setup. I would like to know that do we have any such arrangement to get real time data for inventories with our dealer and retailers?

Sir, my next query is about our cash positions. That we have become a cash surplus company from a net debt company due to the robust cash planning and cash management system. I congratulate the team for that. I would like to know sir that whether it is a new normal or we will come back to the earlier position. I would like to know your views on this. Sir, our total employees strength this year decreased by some around 200 odd employees from 3197 to 2975. I would like to know sir the reason behind that decrease. Thank you very much for giving me this opportunity sir. I support all the resolutions. Thank you very much.

Moderator: We request the next speaker, Mr. Yusuf Yunus Rangwala to kindly unmute your audio, switch on your camera and ask your questions sir. Mr. Yusuf Yunus Rangwala. We have not received any feedback from the speaker. With your permission moving on to the next speaker sir. Mr. Manoj Kumar Gupta from Kolkata. Mr. Manoj Kumar Gupta, we request you to unmute your audio, switch on your camera and ask your question please.

Mr. Manoj: Hello. Respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Gupta. I have joined this meeting from Calcutta. Sir, first of all I respect to Mr. Birla. After a long time I'm looking at him. And sir, you are not smiling today. We are seeing you in a smile face sir. Every time whenever we meet in the Hindustan Motors and other HMVC, a smile on your face sir. And you are attending this meeting from London sir, thanks. Thanks for your dividend in this crucial period in the epidemic COVID. But you have forgotten Calcutta sir. Bring some Registered Office to Calcutta, City of Joy sir. This is your city. Sir, you love this city. So that we can meet and we can see you sir. And sir, how you will face the competition in this business in the domestic appliances from Bajaj, Havells, Finolex, Phillips and other companies sir? And sir, they call the customer meet and the technical team meet and the mechanical meet, that is there any problem. So why are you not calling that type of meetings, regional and city wise? And what's your plan for tier two cities and tier three cities, that your product should reach there? Because I have visited in Haryana and other places. I find that Bajaj and Havells are the masters. And they are the leader in domestic appliances. So, how you will face that competition sir? And can you tell us your market - share wise, in the region wise, north, south, west, east, central sir. And Sir, I will not say a single word about your CSR. I know your policy, principle, ethics of your family because your family has given a big contribution for the society and community. And sir, how much your own production and how much you get from others to sell in the market? How much is your own production

in the domestic appliances? And sir, if possible to attract, to boost the sales, please give 25% to 35% discount coupon to investors. So that if the investors will purchase, your investors are more than 20,000. If any investor will purchase 10,000 rupees purchase and he will get 25-30% discount in coming festival time. So your sale will boost sir. And what's your future outlook for domestic appliances? Recently, Philips has demerged their domestic appliances to mother company. So, what is your view on the future outlook on the domestic appliances? And how you will face the competition from Chinese products in this thing, sir? I thanks to you for entering the Fortune 500 and super brand. Again we have got a superbrand. And sir, just now you mentioned about the cooler. That in cooler business, Symphony is the Bajaj. Symphony and Bajaj market share is higher than Orient. So, how you will spread the wings of cooler in the market sir? And sir, expenses, try to reduce the expenses. And I thank you, your team to work hard in this epidemic COVID-19 time and sir do not forget Calcutta. Bring some investment in this region. You have a land, you have a plant. Everything is there under your umbrella sir, just you have to bring 100-200 crore rupees in the name of Orient. And sir, if possible, can you arrange a plant visit to investors? Like Hindustan Motor you are very liberal. So, be liberal, make liberal sir. Open your heart for the small investors. So that investors will invest more sir, to increase your market cap sir. Please try to bring some investment in Bengal sir. Our CM is calling all the industrialists to bring investment sir. So take a positive step and shift some Registered Office to Calcutta sir. What is the benefit to keep Registered office in Bhubaneswar and Corporate office in Delhi? So think about that, sir. Thank you, sir. I wish God for your healthy and prosperous safe long life. Thank you sir.

Moderator: We request our next speaker, Mr. Aloisis Peter Mascarenas from Mumbai to kindly unmute your audio, switch on your camera and ask your question, sir, Mr. Aloisis Peter Mascarenas. We have not received any feedback from the speaker. With your permission, moving on to the next speaker, sir. Mr. Manoj J Bagaria from Mumbai. Mr. Manoj J Bagaria, we request you to unmute your audio, switch on your camera and ask your question please. We have not received any feedback from the speaker. Moving on to the next speaker, Mr. Kuldeep Kothari. Mr. Kuldeep Kothari, we request you to kindly unmute your audio, switch on your camera and ask your question please. We have not received any feedback from the speaker. With that, all the speakers who are registered are given an opportunity to speak. Now I hand it over back to the board. Thank you.

Chairman: Thank you. I think a lot of questions have been asked.

First, Mr. Praful Chawra, he asked about refrigerators, TV and new products. We keep on evaluating what products we should get into. And this we do studies and also looking at what the brand value brings in. So definitely whenever there's an opportunity, we look into it. But it's just because everyone's making a refrigerator, TV and various washing machines doesn't mean that Orient Electric will go into it. We will look into it very carefully and then see what is appropriate for us from a top line, bottom line, long term point of view, and then only we will get into a business and what is the competition looking like. So with

that only we will get into the business. Thank you for talking about the service. We are continuing to keep on improving our service. And I think that's the basic endeavour. And also your suggestion on CSR. We will look into it definitely. In the schools, we are helping on the education part of it. That's a very important segment going forward, that how do we, you know, just education is not enough. Ultimately, technical education is also required. And we are working with various organisations on that in different parts of the country, that how do we impart technical education to the educated people, so that they are employable. That's the most important thing. As far as Dhoni is concerned, let me tell you. It's something which we have looked into. We do a survey and definitely there is a lot of brand value to it. But we also take your suggestion about the small players, because going forward, we will look into that. But Dhoni does bring in lot of brand value. And with that, definitely it helps in our products' sale at the marketplace.

Mr. Ramaswami. Then I would move to the next question of Mr. Ramaswami. He has asked quite a few questions, I just want to say. This mobile app, Smart Home. We already have Orient Smart App, which is available on play store which connects all our IOT products, including fans, lighting, smart plugs coolers. And user can use this single App to operate all Orient smart products. We're also in the process of launching our new consumer friendly e-commerce platform which will allow our customers to interact seamlessly with us. And over and above this, we have also introduced a consumer insight vertical to further strengthen our customer centricity across the organisation. As far as the Dubai office is concerned, we opened it last year as a representative office for assisting the export of our products in the Middle East countries. And we have about two people over there and they basically do a lot of administrative work and also keep a close interaction with our distributors over there. So it is helping us in improving our relationship with the distributors and helping also in our sales over there.

Mr. Jaideep Bakshi asked about the plant utilisation, capacity utilisation. I would like to say that, see, in the business they're all seasonal businesses. So during the season time, which is about seven to eight months, they run at full capacity. But during the lean season, they run about 30 to 40% capacity level. And in the lighting business, which is again certain seasonality over there. Most of the year they run at about 70 to 80% business. As far as the difficulty in distribution, we did have some challenges during the initial period of the pandemic but I think that it has improved and we are now back to normal.

As far as the inventory position is concerned, we are comfortable, whether it is the finished goods or the components that are required. We are comfortable for the first and third wave. And we are taking every step. So, that there is minimum disruption, if anything, I'm very confident that the team will work on it and make sure that there will be very little disruption. I noted the issue that you have regarding the corporate phone number not working. We will have a look into it and make sure that it is taken care of.

Mr. Ali Asgar Kazi has asked a lot of questions about the long term view and strategy. Basically, let me just tell you that the long term view is that we want to have growth, how do we go in the next four to five years to become a billion dollar company? Work is on that as we speak. And I'm confident that whatever segments that we have, are in or we will enter, we will definitely look at. Now the strategic issues is that just top line is not enough. You have to look at what is going to be your market share and what is going to be the bottom line also. Maybe not on day one, because you have to invest in that product and need to invest in the brand. But over a given period of time in the next three to four years, with a good topline, you should have a healthy bottom line. And that is what we're looking at. As far as inorganic growth is concerned, I think Mr. Kazi asked about this. Someone else, another shareholder, and colleague also asked. We are not looking at it at the present moment, but we are open to any opportunity. And when the time is right, we will come back to you and let you know, what we have done. As far as disruption to the business is concerned, whatever I see it, is of course, there is a new way of working from retail channel to online sales. That is going to increase quite substantially in the next couple of years. And I can assure you that we are working towards that to make sure that we are fully in the know of what's happening. And we have full control over whatever is required from the marketplace.

Then I move to the next shareholder. Mr. Navin Bothra asked some questions. You asked about future plans, that I've told you. Hyderabad, we are looking at expanding our plant, a new plant in Hyderabad. And hopefully in the next 12 to 15 months, we should be ready with the plant. Inorganic growth, I just talked about. Kitchen appliances making, we will study it, but I think basically this is something that we have to sell on basically from a different, we will get it made from various suppliers who will be dedicated to us, where we will give the technology and where we will give the aesthetic looks that we want. And that is the route we are going to take. But as far as competition is concerned, let me tell you, there is competition in any product in any business that you have. So, we have to learn to live with the competition. We have to learn how to overcome the competition. And that is what the present Orient team is working on in various areas.

Next question was from Mr. Arun Kumar Maruti. He talked of margins. Yes, I agree that our margins are still not what they should be. Let me tell you, the Orient team is fully cognizant of that. We are making every effort we did. We've had some margin improvement, but still we have a long way to go. I cannot tell you that by the end of this year, we will be on par with the competition. I'm very hopeful that we are moving in the right direction for improving and working on our margins.

Chairman: Yeah, sorry there's some connectivity issue that has happened today. I don't know. Finally Mr. Manoj Gupta has asked a lot of question. I will ask Mr. Rakesh Khanna and the Company to respond to him separately.

Chairman: So, I think I have answered most of the questions.

Chairman: So with this now, I have taken up all the questions. Now I request, the shareholders may note that the E-voting will end on the casting of the last vote or 15 minutes from the end of this meeting, whichever is earlier. Shareholders who have not cast their vote, are requested to do so. The Company has appointed Mr. Atul Kumar Labh, practicing Company Secretary, to act as a scrutiniser for scrutinising the remote E-voting and the E-voting process at the AGM in a fair and transparent manner. The results will be declared within two working days from the end of this meeting, based on the scrutiniser's report, after considering the E-voting done today by the shareholders participating in this AGM and also the remote E-voting already done by the shareholders. The results will be published on the Company's website and would also be uploaded on the website of the stock exchanges, NSE and BSE. Further, I authorised Mr. Rakesh Khanna, Managing Director and CEO and Mr. Saibal Sengupta, CFO and Mr. Hitesh Jain, Company Secretary, to receive the scrutiniser's report, declare the voting results and submit the same to the stock exchanges.

Resolutions as set forth in the notice shall be deemed to have been passed today, subject to the receipt of the requisite number of votes. Finally, I would like to thank all the shareholders for their participation in this AGM. I'd also like to thank all the Board Members, Panelists and Auditors for their participation. I now request all the Board Members, KMP's and Auditors to log off from this meeting. I now hereby, declare the proceedings of this fifth AGM as closed. On behalf of the Board of Directors, I thank each one of you for attending this meeting. Please stay safe and see you next year. Thank you.