

TRANSCRIPT OF THE PROCEEDINGS OF 48TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INEOS STYROLUTION INDIA LIMITED HELD ON FRIDAY, AUGUST 13, 2021, AT 11.30 A.M. THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO-VISUAL MEANS (OAVM).

1

00:00:02.789 --> 00:00:06.150

Yes, yes.

2

00:00:06.150 --> 00:00:20.579

Are we ready to go? Yes, we are ready to go. 11 time. We have several dozen 40 shareholders.

3

00:00:20.579 --> 00:00:26.489

I was.

4

00:00:26.489 --> 00:00:30.629

Okay.

5

00:00:30.629 --> 00:00:41.340

Yes, we are today you can start.

6

00:00:42.420 --> 00:00:48.270

Good morning everyone I Robbie Alphons Maria Buntinx

7

00:00:48.354 --> 00:00:50.094

Chairman of the board welcome,

8

00:00:50.094 --> 00:00:54.865

you all to this 48 annual general meeting of the members of INEOS Styrolution India Limited,

9

00:00:54.984 --> 00:01:05.364

which is being held through video conferencing mode as permitted by the ministry of corporate affairs and SEBI due to the current situation caused by the Covid 19 pandemic,

10

00:01:05.394 --> 00:01:14.995

I thank all of you for participating through video conferencing and sincerely wish all of you and your families are staying safe and healthy.

11

00:01:15.900 --> 00:01:19.650

Since this year's agm is being conducted.

12

00:01:19.650 --> 00:01:34.344

Through audio visual means before we commence, I would request the company secretary to provide certain guidelines that will be followed during this. I would request you all to be patient so that we make this agm a successful event.

00:01:36.474 --> 00:01:43.435

Good morning, this is Abhijaat Sinha here and I would like to inform all of you the agm notice dated 19th.

14

00:01:43.435 --> 00:01:44.545

May 2021 was mailed on 13th,

15

00:01:44.545 --> 00:01:49.135

July 2021 to all the eligible shareholders on record whose email ID was registered with the company,

16

00:01:49.135 --> 00:01:49.284

and,

17

00:01:49.284 --> 00:02:04.194

Or the depository participants. Shareholders have been given access to the facility enabling them to join the meeting through videoconferencing means on a first-come first-served basis. By default, all members joining this meeting are placed on mute mode to minimize

18

00:02:04.194 --> 00:02:16.044

any background noise and ensure that the meeting can proceed smoothly and seamlessly. Only those shareholders, who have registered themselves as a speaker, prior to the agm, will be allowed to speak

19

00:02:16.044 --> 00:02:22.134

and ask questions during the meeting. We have received request from only two shareholders within the provided timelines and we will proceed accordingly.

20

00:02:28.645 --> 00:02:42.745

During the interactive interaction session with the shareholders, we will announce the name of the speaker whose line will then be unmuted and he would be allowed to speak. We will request the speaker to adhere to the time limits of maximum 5 minutes upon his line.

21

00:02:42.745 --> 00:02:50.875

Will be muted again. The speaker is requested to click the audio button will speaking. The video option will be disabled to avoid any bandwidth related issues.

22

00:02:51.180 --> 00:02:59.250

During the meeting, if any party encounters any technical issues, they may call the helpline number of NSDL as provided in the notice of the

23

00:02:59.250 --> 00:03:02.699

Agm.

24

00:03:02.699 --> 00:03:06.750

Was the adequate quorum being present we shall now commence the meeting.

25

00:03:06.750 --> 00:03:11.039

I will now invite my colleagues on the Board to briefly introduce themselves.

26

00:03:11.395 --> 00:03:22.764

Mr. Shankar please Thank you Rob. Good morning to everyone. I Anil Shankar an independent director and Chairman of the Audit and CSR Committee.

27

00:03:23.514 --> 00:03:32.425

I'm happy to join this agm through video conferencing from my home in New Delhi and I confirm that I can hear and see you all.

28

00:03:32.819 --> 00:03:38.370

Clearly, thank you.

29

00:03:46.289 --> 00:03:49.379

Ms. Ryna Karani please.

30

00:03:52.405 --> 00:04:03.805

Apologies good morning. I am Ryna Karani an independent director of your company. I'm the chairman of the nomination and remuneration committee, and the stakeholder's relationship and grievance committee.

31

00:04:04.194 --> 00:04:12.444

I'm happy to be attending this meeting through the video conferencing from my office in Mumbai and I confirm I can hear and see everyone clearly. Thank you.

32

00:04:13.650 --> 00:04:17.069

Mr. Vinesh Sadekar please.

33

00:04:18.204 --> 00:04:31.884

Thank you rob. Good morning. Everyone I Vinesh Sadekar an independent director of the company and happy to be attending this agm through video conferencing from my residence in Mumbai. I confirm that.

34

00:04:31.884 --> 00:04:34.704

I can see and hear you all very clearly.

35

00:04:35.069 --> 00:04:42.209

Thank you, thank you, Ryan, Anil and Vinesh. We also have our managing director and CEO, Mr. Sanjiv Vasudeva

36

00:04:42.209 --> 00:04:47.218

Our whole time director and CFO. Mr. Sanjeev Madan.

37

00:04:47.218 --> 00:04:53.189

Participating in this agm through video conferencing from their respective residences in Delhi.

38

00:04:53.189 --> 00:04:59.908

I would also like to inform you that the representatives of the statutory auditors.

39

00:04:59.908 --> 00:05:09.209

M/s. Deloitte Haskins & Sells, Chartered Accountants, and the Secretarial auditor Mr. Devesh Pathak are also attending the meeting through video conferencing.

40

00:05:09.209 --> 00:05:15.869

The Company has received a representation from its holding Company INEOS Styrolution APAC Pte.

41

00:05:15.869 --> 00:05:22.139

Limited in Singapore holdings 13,189,218 equity shares.

42

00:05:22.139 --> 00:05:27.028

Equivalent to 75% of the paid up share capital of the company.

43

00:05:27.028 --> 00:05:30.028

Appointing me as the authorized representative.

44

00:05:30.028 --> 00:05:33.838

I'm attending the meeting through video conferencing.

45

00:05:33.838 --> 00:05:44.428

The company has not received any other representation or authorization from corporate shareholders in terms of section. 113 of the companies act. 2013.

46

00:05:44.428 --> 00:05:49.978

Since the agm is being helped electronically through video conference mode.

00:05:49.978 --> 00:05:58.408

The physical attendants, the members has been dispensed with and requirement of appointing proxy not applicable.

48

00:05:58.408 --> 00:06:04.949

All the members who have joined the meeting through video conferencing will be counted towards the quorum.

49

00:06:04.949 --> 00:06:09.569

The Register of Directors and Key Managerial Personnel.

50

00:06:09.569 --> 00:06:16.343

And their shareholding the register of contracts and arrangement in which the directors are interested and relevant documents,

51

00:06:16.343 --> 00:06:17.064

referred to,

52

00:06:17.064 --> 00:06:22.254

in the notice will be available electronically for inspection by the members during the GM,

53

00:06:22.673 --> 00:06:27.233

on the investor tab of the company's website under notices and announcements.

54

00:06:27.598 --> 00:06:39.478

As the notice as notice of the agm has already been circulated with the permission, the members I would take the notice of the meeting as read.

55

00:06:39.478 --> 00:06:46.559

Further, I would like to inform you that since there are no qualifications observations or comments.

56

00:06:46.559 --> 00:07:00.653

Or remarks on the financial transactions from the statutory auditors, and the secretarial auditors, and their respective reports, which may have adverse effect on the functioning of the company for the financial year 2020-2021 they are note being read.

57

00:07:01.649 --> 00:07:11.968

On behalf of the board of directors, I am pleased to state that your company has met all the corporate government standards stipulated under the SEBI Listing requirements.

58

00:07:13.829 --> 00:07:19.769

Dear shareholder on behalf of the board. I would like to thank you for joining us today.

59

00:07:19.769 --> 00:07:31.678

Your presence is a testimony to your involvement and support for the company. The management team and I will now bring you through the company's business performance.

60

00:07:31.678 --> 00:07:44.249

The overall sales turnover of your company increased from INR 1579 crore in the previous year to INR 1631.4 crore

61

00:07:44.249 --> 00:07:49.889

The company observed approximately 3.3 increase in the total revenue.

62

00:07:49.889 --> 00:07:53.158

as compared to the previous year.

63

00:07:54.084 --> 00:08:03.684

The company's total income, including our income was INR 1644.5 Crore for financial year 2020-2021 as compared to INR 1585 crore for the financial year 2019-2020

64

00:08:11.548 --> 00:08:26.218

The company's profit before tax for a year was INR 376 Crore as compared to loss before tax of INR 13.5 Crore in the pervious year; whilst profit after tax.

65

00:08:26.218 --> 00:08:37.259

before other comprehensive income was to INR 280.2 crore as compared to loss after tax of INR 9.5 crore in the previous year

66

00:08:39.114 --> 00:08:41.693

The 2nd wave of Covid-19 badly,

67

00:08:41.693 --> 00:08:51.384

hit the country post March 2021 with locked down restrictions on movement imposed by the state governments in the country due to the 2nd,

68

00:08:51.384 --> 00:08:55.644

wave of covid 19 business of the company was affected in the last quarter.

69

00:08:56.788 --> 00:09:02.068

Impact assessment of Covid 19, however, is continuous process.

70

00:09:02.068 --> 00:09:06.028

Given to the uncertainty associated with its nature and duration.

71

00:09:06.028 --> 00:09:13.139

Your company continues to monitor changes in economic condition, and is prepared to take measures.

72

00:09:13.139 --> 00:09:16.168

To safeguard its business operations.

73

00:09:16.168 --> 00:09:20.908

In 2021, based on World Bank, IMF and

74

00:09:20.908 --> 00:09:28.678

Other industry estimates a GDP growth 8 to 10% is expected driven by rebound in industry.

75

00:09:28.678 --> 00:09:38.698

Demand from rural areas due to a good agricultural season we expect the automotive business in both two-wheelers and four wheelers to pick up.

76

00:09:38.698 --> 00:09:42.599

Moving forward consumer spending on healthcare.

77

00:09:42.599 --> 00:09:45.778

Packaged goods and household goods, like washing machines.

78

00:09:45.778 --> 00:09:50.759

Water/air purifiers are expected to increase post lockdown.

79

00:09:50.759 --> 00:09:55.798

And our product portfolio is well positioned to cater to these applications.

80

Considering the performance.

81

00:10:02.879 --> 00:10:09.239

And to we want members conserving resources to meet the future of financial requirements.

82

00:10:09.239 --> 00:10:14.548

The board of directors has recommended a dividend of 100% for your approval.

83

00:10:14.548 --> 00:10:20.339

Since the agm notice has been taken as read.

84

00:10:20.339 --> 00:10:27.479

I would request to explain the voting process and also provide the objectives and implications and respect of.

85

00:10:27.479 --> 00:10:31.558

All the resolutions as required by law.

86

00:10:31.558 --> 00:10:35.609

So, I will, I will take you through all the voting instructions.

87

In compliance with the companies that 2013 as well as regulations 2015, read

88

00:10:40.014 --> 00:10:51.894

With the recent circulars issued by the MCA and SEBI shareholders have been provided access to the electronic E voting facility managed by NSDL to cast their votes remotely on all the resolutions set forth in the agm notice shareholders.

89

00:10:51.894 --> 00:11:02.244

who have not cast their votes through remote e-voting prior to the agm may now vote electronically through the e-voting system available on the website during the agm.

90

00:11:05.333 --> 00:11:15.474

The board has appointed Mr. Devesh Pathak practicing company, secretary to act as scrutinize and he will scrutinize the remote e-voting as well as the votes cast at the meeting to provide a consolidated report.

91

00:11:15.774 --> 00:11:24.504

Since the agm is being held through video conferencing and the resolutions have been, or can be only through e-voting there would be no proposing or seconding of the resolution.

92

00:11:25.948 --> 00:11:33.958

Resolutions as you would have seen in the notice for matters at serial number 123 and 7 are statutory in nature.

93

00:11:33.958 --> 00:11:46.678

And pertain to adoption of the financial statements for the financial March 31st, 2021, Board's report and auditors report there on, declaration of dividend for the financial year. 202021.

94

00:11:46.943 --> 00:12:01.644

appointment of Mr. Sanjiv Vasudeva as a Director retiring by rotation and ratification of the remuneration of Cost Auditors respectively, requiring shareholder's approval by way of ordinary resolutions. resolutions at item number 4 and 5 are ordinary resolutions

95

00:12:01.644 --> 00:12:05.933

pertaining to appointment of directors Mr.

96

00:12:05.933 --> 00:12:19.823

Mr. Robbie Alphons Maria Buntinx as non executive director and non independent director and Mr. Vinesh Sadekar as an independent director. They are appointed as additional directors by the board during the years and accordingly. Hold office till the conclusion of this agm

97

00:12:20.369 --> 00:12:29.724

The company has received notices in writing from shareholders, proposing the candidate resolution at item number 6 is a special resolution for appointment of Mr.

98

00:12:29.724 --> 00:12:30.264

Sanjeev Madan,

99

00:12:30.653 --> 00:12:40.433

as a director liable to the type of rotation and wholtime director of the company designated as wholtime director and chief financial officer for a period of 3 years with effect from January 1st,

100

00:12:40.433 --> 00:12:45.384

2021 on the terms detail in the explanatory statement the nomination and remuneration committee has recommended appointment,

101

00:12:45.384 --> 00:12:49.644

Of Mr. Madan who's also the chief financial officer of the company as the.

102

00:12:53.099 --> 00:12:56.609

Thank you.

103

00:12:56.609 --> 00:13:10.408

We would now proceed with the business listed in the GM notice since your objective and implications of the resolution have already been explained with now, request the member who has registered his names as speaker for the.

104

00:13:10.408 --> 00:13:14.578

To share his comments questions once his name is announced.

105

00:13:14.578 --> 00:13:17.849

We will answer only at the end of the questions.

106

00:13:17.849 --> 00:13:31.499

So, 1 of the shareholders Mr. Vaibhav Badjatya. Mr. Badjatya I'm making you a panelist and you'll be able to speak afterwards. Just let us know.

107

00:13:36.448 --> 00:13:49.734

Hello here yeah. Yeah. Yeah. I'm able to hear you. I hope you can hear me. Yes yes please do it. Okay. Okay. Thanks.

108

00:13:49.734 --> 00:14:01.134

Thanks for providing the opportunity. And I would like to congratulate the whole management and Board for the excellence performance over particularly last year.

109

00:14:01.438 --> 00:14:09.239

And I also wish all employees and all board member and management of the company good health and stay safe

110

00:14:09.894 --> 00:14:14.183

I have just 1 question if you can,

111

00:14:14.453 --> 00:14:29.333

you can throw light on the global demand supply scenario for our products as to where we are in the cycles and additional capacities that you see coming up in

00:14:29.333 --> 00:14:29.663

next.

113

00:14:30.298 --> 00:14:38.938

In next to two years or so, so, because the recent upturn, we have not seen this kind of upturn, very long time.

114

00:14:39.683 --> 00:14:53.543

What is going to happen over 2 years is more critical and would it lead to significant global capacity expansion function, which will lead to very serious downturn probably 3 to 4 years down the line.

115

00:14:53.543 --> 00:15:02.004

So, if you can, if you can throw some, some light on this, it would be really helpful. That is the only question from my side. Thank you.

116

00:15:23.578 --> 00:15:31.948

So, we can go ahead with responding to his question.

117

00:15:33.928 --> 00:15:47.033

Okay, thank you for the question. I think 1st of all the growth of your company is closely linked, of course, to the growth of the Indian economy, which is expected to grow at the rate of 8 to 10%.

118

00:15:47.033 --> 00:15:56.543

Of course, uncertainty due to the covid 19 is expected to have some impact on the global and Indian economy as well. So that's in short term out look

119

00:15:59.783 --> 00:16:00.354

When we,

120

00:16:00.953 --> 00:16:01.464

let's say,

121

00:16:01.494 --> 00:16:01.764

look,

122

00:16:01.764 --> 00:16:03.683

let's say to the capacity situation,

123

00:16:03.984 --> 00:16:04.703

we expect,

124

00:16:04.703 --> 00:16:19.403

let's say a capacity's being built there will be an in-built cycle thereof and we all know that India is always an important country we're going in but let's say with the capabilities that we have I think

125

we will still be able to grow also the Indian business.

126

00:16:23.754 --> 00:16:27.533

I don't know Sanjiv Vasudeva. If you would like to add something on that.

127

00:16:27.899 --> 00:16:41.369

Yeah, Capacities are added globally. So as abs and polystyrene the products that we are in.

128

00:16:41.369 --> 00:16:52.043

We have traded on a global basis, we continuously monitor the capacities that added in China and other locations right? As Rob mentioned.

129

00:16:52.823 --> 00:16:53.004

So,

130

00:16:53.004 --> 00:16:54.354

we do see some capacity issues,

131

00:16:54.384 --> 00:16:54.803

happening,

132

00:16:55.374 --> 00:16:56.094

going forward,

133

00:16:57.264 --> 00:16:59.274

but specifically talking about India,

134

00:16:59.333 --> 00:17:04.104

I think that's where the interest of all shareholder lie as Rob mentioned,

135

00:17:04.104 --> 00:17:08.094

India has an import of almost 40 to 50% for abs,

136

00:17:08.153 --> 00:17:08.663

right?

137

00:17:09.118 --> 00:17:19.253

So, from that perspective, going forward, we see enough demand, right for us to cater to over and above the volumes that we said yes

138

00:17:21.564 --> 00:17:29.844

So, you know, I mean, these are cyclical businesses and, you know, every few years capacities are added and so we do monitor.

00:17:30.179 --> 00:17:44.273

Not cause of concern, but I think overall, I think it's good capacity are added and the global economy is also supposed to grow a bit faster in the next coming 2 years. Yeah, Europe, America is about 4-5% growth right? Which used to be 1 or 2% growth earlier.

140

00:17:46.588 --> 00:18:01.374

Uh, so they're already optimistic signs for the global economy as also evident in the stock market. The stock markets always look ahead of plan. What's going to happen in coming 1 or 2 year? Yes. So it's a good indicator of what's happening globally.

141

00:18:03.088 --> 00:18:08.818

Yes. Okay. Thanks Sanjive's for this actual addition.

142

00:18:09.173 --> 00:18:18.413

And then, I think ladies and gentlemen, thank you for all your commands and questions. I trust we have adequately responded of all the questions raised.

143

00:18:18.953 --> 00:18:28.884

And if there are further clarification required, please get in touch with the company secretary, and we will respond to you appropriate. Now, I would request Mr.

144

00:18:29.094 --> 00:18:34.044

Devesh Pathak scrutinizer once again, share the evoting instructions in brief.

00:18:35.489 --> 00:18:41.159

Joining.

146

00:18:41.159 --> 00:18:49.288

You made me share instructions for evoting, but it has been my pleasure to share those instructions to you.

147

00:18:49.288 --> 00:18:58.439

Those who have already voted in remote evoting they are not entitled to evote at the agm. However if they have voted, that vote would be disregarded.

148

00:18:58.439 --> 00:19:05.009

That would need to get, secondly those who have logged in as a member in this meeting

149

00:19:05.009 --> 00:19:13.648

only will be able to vote in this meeting.

150

00:19:13.648 --> 00:19:24.328

And thirdly, after conclusion of this meeting evoting facility at the meeting will be available for 15 minutes and it will end.

151

00:19:24.328 --> 00:19:28.108

152

00:19:29.999 --> 00:19:33.419

I know bring the meeting to the close.

153

00:19:33.419 --> 00:19:48.358

The results of the voting will be announced on, or before 14th of August 2021 and the same will be intimated to the stock exchange and also uploaded onto the company's website as well as the NSDL's website.

154

00:19:48.358 --> 00:19:56.818

I gratefully acknowledge the presence of the directors and auditors at the meeting last, but not least I would like to thank the shareholders.

155

00:19:56.818 --> 00:20:06.989

Without the virtual presence and participation this meeting what not would not have been possible. Thank you for your time and involvement and I wish everyone.

156

00:20:06.989 --> 00:20:10.949

Safe and healthy times ahead. Thank you.

157

00:20:13.318 --> 00:20:25.138

Thank you everybody so we're closing the meeting a technical support. We will be closing. The meeting is concluded and the meeting with the voting will continue on the start.

158

00:20:25.138 --> 00:20:31.019

Thank you. Thank you. Thank you. Scope recording yes, thank you.