

**28th ANNUAL GENERAL MEETING  
of  
KEI INDUSTRIES LIMITED  
Wednesday, 09th September, 2020 at 02.00 p.m.  
Through Video Conferencing and Other Audio Visual Mode**

“Good Afternoon dear Shareholders, Board of Directors, Auditors and Scrutinizer, who have joined us today, in the 28th Annual General Meeting of KEI Industries Limited through Video Conferencing and Other Audio Visual Mode”

“I, Kishore Kunal, GM Corporate & Company Secretary of the Company and I have joined this meeting from Registered Office of the Company at D-90, Okhla Industrial Area, Phase 1, New Delhi-110020.

Before commencing the official proceedings, I would like to inform all the attendees about the following points –

- Ministry of Corporate Affairs & SEBI have permitted Companies to carry out AGM through Video Conferencing and Other Audio Visual Mode. As a tradition, your Company has always conducted its Annual General Meeting physically, but in the light of this unprecedented situation, because of the pandemic caused by COVID-19, carrying of physical meeting was not in order. The Government of India has urged all its citizens to maintain social distancing norms in order to control the spread of

Coronavirus. Your Company thus with an intention to support the measures taken by the Government, decided to conduct the 28th Annual General Meeting this year through Video conferencing and other Audio-Visual modes.

- Attendees can post their queries, if any; in the Question Answer box and same will be replied to respective shareholders within a week's time.
- All members who have joined this meeting are by default placed on mute mode to avoid any disturbance from background to ensure smooth conduct of this meeting.
- Upon commencement of Q & A, I will announce one by one the name of the Shareholders who have registered to speak at the meeting. The speaker shareholder, if present, will thereafter be unmuted by the host. If such Shareholder is not able to join through video for any reason then that member can join through the audio mode. The Shareholders are advised to use headphones for clear Audio and switch off other background applications.
- If there is any connectivity issue at speaker shareholder's end, we will request the next speaker shareholder to join the meeting and he will be requested to join later. We would request a speaker shareholder to kindly limit their time to 2 minutes.

- The Company had provided remote e-voting facility to all the shareholders from September 06, 2020 (9:00 a.m. IST) to September 08, 2020 (5.00 p.m. IST), on all resolutions set forth in the Notice of 28<sup>th</sup> AGM.
- Members who have not casted their vote have option to cast their vote during the AGM and even after the AGM there is time limit of 15 minutes allotted to shareholder so they can cast their vote. So these are the instructions for shareholder I am sure that you can keep that in mind.

**With this, now I hand over the proceedings to the Chairman Sir, Mr. Anil Guptaji.**

## **Mr. Anil Gupta (Chairman)**

Thank you very much, Kunal.

Good Afternoon everyone. I welcome you all to the 28th Annual General Meeting of your company. I would like to mention that in view of the massive outbreak of the Covid19 pandemic, social distancing is a norm to be followed, and therefore, this AGM today has been convened through video conferencing and other audio/visual means in compliance with the Companies Act 2013, read with circulars issued by the Ministry of Corporate Affairs and SEBI.

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

I welcome other colleagues on the board of your company to the 28th Annual General Meeting. Now let me ask your board of directors to introduce themselves.

Now I request Mr. Pawan Bholusariaji, please introduce yourself.

## **Mr. Pawan Bholusaria (Independent Director)**

Good afternoon everyone, I am Pawan Bholusaria. I am an independent director on the board of KEI Industries Limited. I am also the Chairman of the Audit Committee, Corporate Social Responsibility Committee, Share Allotment Committee and member of Nomination and Remuneration Committee,

Stakeholder Relationship Committee and Qualified Institutions Placement Committee. I am attending this AGM from Delhi today. Thank You.

**Mr. Anil Gupta (Chairman)**

Thank you, Pawanji. Now I request Mr. Kishan Gopal Somani to introduce himself.

**Mr. Kishan Gopal Somani (Independent Director)**

Good Afternoon. I am Kishan Gopal Somani, an independent director on the board of KEI Industries Limited. I am also member of Audit Committee and Qualified Institutions Placement Committee. I am attending this AGM from Delhi today. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Somaniji. Now I request Ms. Archana Gupta to introduce herself.

**Ms. Archana Gupta (Director)**

Good afternoon everyone. I am Archana Gupta. I am a non-independent director on the board of KEI and member of Finance Committee. I am attending the AGM from my residence in Delhi. Thank you so much.

**Mr. Anil Gupta (Chairman)**

Thank you, Archana. Now I request Akshit to introduce himself.

**Mr. Akshit Diviaj Gupta (Director)**

Good afternoon. I am Akshit Diviaj Gupta. I am whole time director on the board of KEI Industries Limited. I am attending the AGM from Registered Office of the Company at New Delhi. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Akshit.

**Mr. Vijay Bhushan (Independent Director)**

Good afternoon, I am Vijay Bhushan. I am an independent director on the board of KEI Industries Limited. I am also Chairman of Stakeholder Relationship Committee and member of Nomination and Remuneration Committee and Share Allotment Committee. I am attending this AGM from Delhi today. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Vijayji. Now I request Mr. Vikram Bhartiya to introduce himself.

**Mr. Vikram Bhartia (Independent Director)**

Good afternoon everyone. I am an independent director on the board of KEI Industries Limited. I am also the Chairman of Nomination and Remuneration Committee and member of Audit Committee and Stakeholder Relationship Committee. I am attending the AGM from my residence in New Delhi today. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Mr. Bhartia. Now I request Mr. Sadhu Ram Bansalji to introduce himself.

**Mr. Sadhu Ram Bansal (Independent Director)**

Good afternoon everyone. I am Sadhu Ram Bansal, an independent director on the board of KEI Industries Limited. I am also member of Risk Management Committee and Qualified Institutions Placement Committee. I am attending the AGM from Delhi today. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Bansalji. Now I request Ms. Shalini Guptaji to introduce herself.

**Ms. Shalini Gupta (Independent Director)**

Good afternoon everybody. I am Shalini Gupta, an independent director on the board of KEI Industries Limited. I am attending the AGM from Gurgaon.

**Mr. Anil Gupta (Chairman)**

Thank you, Ms. Shalini Gupta. Now I request Mr. Rajeev Gupta [ED (Finance) and CFO] to introduce himself.

**Mr. Rajeev Gupta [ED (Finance) and CFO]**

Good afternoon everybody. I am Rajeev Gupta, ED (Finance) and CFO and whole time director of the Company. I am also member of Finance Committee, CSR Committee, Risk Management Committee and QIP Committee. I am joining the

AGM from the registered office of the Company at Okhla, New Delhi. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you, Rajeev.

**Mr. Anil Gupta (Chairman)**

We also have with us the Statutory Auditors of the Company, Mr. Pawan Kumar Agarwal, Partner of M/s Pawan Shubham & Co. and Scrutinizer of this meeting, Mr. Sumit Kumar Batra, Proprietor of S.K. Batra & Associates. I request Mr. Pawan Kumar Agarwal our Statutory Auditor to introduce himself.

**Mr. Pawan Kumar Agarwal (Statutory Auditor)**

Good Afternoon. I am partner of M/s. Pawan Shubham & Co.; I am attending this meeting from my office in New Delhi. Thank you.

**Mr. Anil Gupta (Chairman)**

Thank you Pawan ji. Now I request Mr. Batra to introduce himself.

**Mr. Sumit Kumar Batra (Scrutinizer)**

Good afternoon everyone. I am Sumit Kumar Batra, Proprietor of S.K. Batra & Associates. I am appointed as Scrutinizer of the 28<sup>th</sup> Annual General Meeting of KEI Industries Limited. I am attending this meeting from my office in New Delhi. Thank you.



## **Mr. Anil Gupta (Chairman)**

Thank you, Sumitji.

Dear members, the notice convening this AGM and a copy of Annual Report for the financial year ended March 31, 2020, have already been circulated to members of the Company through e-mail and notice in this regard was also published in the newspaper.

With your permission, I shall take them as read.

Now, with your permission, I will begin my formal address to the shareholders.

Dear Shareholders,

It is a pleasure to connect with all of you again, although this time we meet virtually. On behalf of entire Board, I want to thank you for taking the time out to join us today. Your support and confidence in us, even in uncertain times like these, drive us to do more, and create greater value.

The world is tackling an unprecedented crisis with the outbreak of the coronavirus pandemic. In this unusually changed landscape, we, at KEI, renew our commitment towards partnering the vision of self-reliant India and demonstrating business resilience. Led by our unflinching resolve to create better stakeholder value, our focus will be on navigating this acute phase of uncertainty while ensuring that we stay well

positioned for growth acceleration once the world recovers from the pandemic.

Reviewing the year gone by, I take great satisfaction in reporting that your Company has delivered a robust performance. The results are even more commendable as they have been achieved against a tough operating backdrop. India was already facing a protracted economic slowdown even before the coronavirus pandemic took us all by surprise. The nationwide lockdown in the last 10 days of March significantly dented our revenue collections, particularly for our Retail segment as that is when a significant part of the invoicing for the fourth quarter takes place at the dealer level. Despite these challenges, we generated Rs. 4,884 Crores in Net Sales in FY 2019-20 as against Rs. 4,227 Crores in the previous year, a growth of 15.5%. We also delivered strong margins with Profit After Tax (PAT) growing by 40.3% to stand at Rs. 255 Crores, as against Rs. 182 Crores in the previous year.

Another highlight of the year was that we successfully raised Rs. 500 Crores through the Qualified Institutional Placement (QIP) route. The proceeds of the QIP have been utilized for repayment / prepayment of debts, meeting working capital requirements and general corporate purposes. This has further strengthened our balance sheet and improved our net cash position.

As mentioned earlier, our Retail segment was adversely impacted by the COVID-19 outbreak and the lockdown that

ensued. Dealer network sales in the fourth quarter of FY 2019-20 was Rs. 321 Crores as compared to Rs. 405 Crores for the corresponding period in the previous year. This lower than expected fourth quarter results made its impact felt on our full-year retail sales which registered a flat year-on-year growth. Over the next few months, this segment is likely to continue facing challenges with slower off take by the real estate sector and consumers deferring non-essential purchases. To ensure that we can scale-up our retail sales once the external situation improves, our focus remains on growing our dealer network. We will also continue to deepen our engagement with our channel partners and influencers to widen our customer base.

The Institutional segment reported a solid performance for the year under review. We have commenced FY 2020-21 on a strong footing as well, as we recently bagged a landmark order for the execution and supply EHV cables of 400kV. KEI is amongst the few international players in the industry to manufacture and supply cables of 400kV. As the nation is trying to emerge from the shadows of the COVID-19 pandemic, the Government is strongly pushing for a self-reliant economy by promoting local manufacturing. With our world-class capabilities in EHV cable manufacturing, we are proud and determined to contribute to our nation's vision. Further, EHV cables are being increasingly used in underground power transmission and hydropower projects due to its inherent advantages of security and reliability. These dynamics combined with the Government's thrust on 'Vocal for Local' will, we believe, power an exciting future for our EHV division.

Our EPC division, which is a forward integration of our cables business, also delivered a steady performance for the year. For our EPC projects at various sites, we also depend on contractual labor. While the migrant workforce in India has been most affected by the COVID-19 impact, I am glad to share that at KEI, having always been proactive in ensuring timely payment to our contractors and providing conducive working conditions, we have been able to support our contract workers through this difficult period. We have not faced any labor issues at our project sites and expect to efficiently execute our ongoing projects.

We continue to be selective in undertaking EPC projects, bidding only for those that have a significant cabling requirement as that gives us a strategic advantage in earning better margins through the in-house supply of inputs. As infrastructure development is stepped up to kick start the economy, along with the continued focus on improving power transmission and distribution, we are optimistic that our proven EPC track record for marquee projects under flagship government schemes will position us well to win new contracts.

The execution of the prestigious, single-large order received from an Africa-based company propelled the performance of our Exports segment during the year. In FY 2020-21, we believe that our well-diversified geographical presence will enable us to deliver export revenue in line with past performance, excluding that in FY 2019-20, which was exceptional due to the single

large order. Our ability to meet stringent pre-qualification parameters, foster strong customer relationships and customize our products to cater to niche demands across industries will empower us to maintain the growth momentum.

Our business is powered by our committed and talented team of employees. Their expertise and experience will especially be pivotal in navigating these unprecedented times. We are taking stringent protection measures at all our locations to ensure the health and safety of our people.

Moving into a challenging year, we already have a strong order book for our Institutional and Export segments. The Institutional orders include supply of cables for a nuclear power project, several metro projects, fertilizer and refinery expansions and railway projects. These ventures are being pursued with the same intensity by our customer post-COVID and thus we do not anticipate any delay in project execution and completion.

While we have adequate capital to meet business requirements, we recognize that the situation is fluid and are thus exercising prudence for all our spending to conserve cash and maintain liquidity. Keeping the uncertain times in perspective, we have also decided to defer all major capex till Q3, when the external environment will be reviewed again. As we have built sufficient capacity, this postponement of capex will not impact our near and mid-term growth plans.

Finally, our consistent financial performance year-on-year is compelling evidence of our resilient operations. Among other things, our stable financial position has enabled us to invest in capital expenditure, including towards purchase of technology and R&D. Along with our in-house manufacturing capability and capacity, our excellent execution record, strong pre-qualification credentials, pan-India distribution network and sufficient cash reserves to fund greenfield capex, position us at a vantage point to capture growth when the cycle turns.

In closing, I would like to express my gratitude to everyone who has contributed to our success – our customers, bankers, financial institutions, Central and State government bodies, channel partners, business associates, suppliers and employees, our community and to you, our shareholders. While the times ahead may be challenging, KEI remains committed to staying resilient and responding with alacrity to the evolving situation. Our strong fundamentals will continue to drive our momentum in the medium and long-term. Thank you for your continued trust.

**Mr. Kishore Kunal (Company Secretary)**

Thank you, Sir. I now request our statutory auditor, Mr. Pawan Kumar Agarwal to read out the audit's report for the benefit of shareholders.

**Mr. Pawan Kumar Agarwal (Partner)**

Thank you, Kunal. In the interest of time, I would be reading the first two paragraph of our audit report. We have audited the

accompanying standalone and consolidated financial statements of KEI Industries Limited, which comprise the standalone and consolidated Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone and consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with IND AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020 and there is no qualification in our report. Thank you.

### **Mr. Kishore Kunal (Company Secretary)**

Thank you Sir.

Pursuant to the provisions of Companies Act 2013 and the SEBI listing regulations, the company has provided facility for voting by electronic means to all its members. For this purpose, the company has tied up with the e-voting system of National Securities Depository Limited for facilitating voting through electronic means as the authorized agency. The company

provided remote e-voting facility to all the persons who were members on **02<sup>nd</sup> September 2020**, being the cutoff date for vote on all the resolutions set out in the notice of AGM. Member attending the AGM today who have not cast their vote by remote e-voting are entitled to exercise their right to vote by e-voting during this AGM.

Mr. Sumit Kumar Batra, Practicing Company Secretaries has been appointed by the board as the scrutinizer for conducting e-voting process in a transparent manner.

The results will be declared on or before 48 hours 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 result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.kei-ind.com](http://www.kei-ind.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited, and Calcutta Stock Exchange where the shares of the Company are listed. As the meeting is convened through VC today, resolutions have already been put to vote through remote e-voting and the requirement to propose and second are not applicable for this meeting.



## **Mr. Kishore Kunal (Company Secretary)**

Dear shareholders, thank you for joining today and for taking time to participate in today's AGM. Before we go live with the Q&A, here are some points to note for your convenience. Kindly turn on your video when you are projected on the broadcast screen, kindly unmute yourself, and proceed to ask the question. Please mention your **name, Folio Number, and the location** from where you are joining. Each shareholder will have 2 minutes for their questions. Once you have asked your question, you can log off and continue to watch the proceedings.

As per the information which the shareholders has sent to us, Now I request Mr. Yusuf Rangwala if he is in the meeting to ask the question.

## **Mr. Yusuf Yunus Rangwala**

No response from Mr. Yusuf Yunus Rangwala.

## **Mr. Kishore Kunal (Company Secretary)**

So, Mr. Yusuf has not joined, now I request next shareholder to ask the question if he is present in meeting. Mr. Manjeet Singh, kindly unmute yourself and ask the question.

## **Mr. Manjit Singh**

Am I audible?

## **Mr. Kishore Kunal (Company Secretary)**

Yes you are audible. Now you can ask your question.

## **Mr. Manjit Singh**

I welcome the entire Shareholder, our company engage in the sector where continuous R&D required but I think our company cannot concentrate on the same. In this pandemic situation I request to our management that they give more opportunity to our young generation at different levels.

## **Mr. Anil Gupta (Chairman)**

Thank you Mr. Manijit Singh, in our company average age of employees is 35 years which is a very good in terms of any world standard and 90% of employees working in our organization are below 42 years of age group.

Mostly at senior management level we need an experienced person who have vast experienced in the respective field. In our core area we have very strong R&D already and continuous effort will be given from our side. We have made and developed all tailor-made cables, specialized applications used in railway, metro, oil refineries and nuclear power plants. Your question refer to making of different electrical products other than wires & cables, we will ensure you that your company making best effort in the same direction.

**Mr. Kishore Kunal (Company Secretary)**

Thank you, Mr. Manjit Singh. Now I will ask another Shareholder Mr. Santosh Bhutani, if he is present in the meeting then he will go ahead with his question.

**Mr. Santosh Bhutani**

No response from Mr. Santosh Bhutani.

**Mr. Kishore Kunal (Company Secretary)**

Now we request Mr. Jasmeet Singh, if you are present kindly ask your question. Kindly unmute yourself and go ahead with your question.

I think we have some trouble with Mr. Jasmeet Singh connection. Can we have the next shareholder please? Mr. Pramod Kumar Jain if he is the meeting then please go ahead with his question.

**Mr. Pramod Kumar Jain**

No response from Mr. Pramod Kumar Jain.

**Mr. Kishore Kunal (Company Secretary)**

I think Mr. Pramod Kumar Jain have connectivity issue, in the meantime I will ask Mr. Pradeep Sood please go ahead with your question.

**Mr. Pradeep Sood**

No response from Mr. Pradeep Kumar Sood.

**Mr. Kishore Kunal (Company Secretary)**

I will ask Mr. Narender Singh Chauhan to ask his question.

**Mr. Narender Singh Chauhan**

No response from Mr. Narender Singh Chauhan.

**Mr. Kishore Kunal (Company Secretary)**

Now I will ask Mr. Ashok Kumar Gupta to unmute himself and ask his question.

**Mr. Ashok Kumar Gupta**

Hello everyone I welcome you all along with other shareholders, in this pandemic situation we have organized meeting congrats on efforts in these trying times. Although we cannot meet physically in this pandemic so I hereby put some question before you that other companies cut the salary of employee and retrenchment in this situation. I request to the management not to cut the salary of any employees of our company unless and until they are willingly propose the cut.

As you have mentioned in your speech that we have successfully raised Rs. 500 Crores through Qualified Institutional Placement (QIP) and utilized the same for repayment or prepayment of debts, my question is whether we have paid all the debts or is there anything outstanding in the current period. Further Government has lot more focus on power sector these days, so whether we have specialized person to take care and fulfill all the requirement of government guidelines which emphasis our company growth.

**Mr. Anil Gupta (Chairman)**

Guptaji, your suggestion well noted. Our company maintained all its employees and associates in this pandemic situation; we cannot take any decision which is against industry norms and employee welfare. Your suggestion that we have to make specific tailor made cables for power sector, it is our focused area and we are contineously striving in this direction.

**Mr. Kishore Kunal (Company Secretary)**

Now I will call Mr. Raju Verma to ask his question, kindly unmute yourself and go ahead with your question. I think we have some trouble with Mr. Raju Verma connection.

**Mr. Raju Verma**

No response from Mr. Raju Verma.

With this, we conclude the Q&A session from all the shareholders. Questions asked through Chat box will be replied to respective shareholders in a week's time.

**Mr. Kishore Kunal (Company Secretary)**

Thank you, shareholders, for asking questions on this virtual AGM. I once again thank you our Chairman, Board of Directors, Auditors for their participation and now they can log off from the meeting and now we conclude the meeting from here.

However, Members attending the AGM today who have not already cast their vote by remote e-voting may cast their vote on the e-voting platform now. You are given 15 minutes' time for e-voting. Thank you so much for joining us.

**Mr. Anil Gupta (Chairman)**

Thank you so much dear Shareholder and thank you so much to all our colleague and Directors.