



“Berger Paints India Limited 97th Annual General Meeting”

August 27, 2021



MANAGEMENT:

MR. KULDIP SINGH DHINGRA – CHAIRMAN, BERGER PAINTS INDIA LIMITED
MR. ABHIJIT ROY - MANAGING DIRECTOR AND CEO & , CHAIRMAN - SHARE TRANSFER COMMITTEE, BERGER PAINTS INDIA LIMITED
MR. SRIJIT DASGUPTA – DIRECTOR (FINANCE) AND CHIEF FINANCIAL OFFICER JOINING FROM KOLKATA.
MR. ARUNITO GANGULY – COMPANY SECRETARY, BERGER PAINTS INDIA LIMITED

BOARD OF DIRECTORS:

MR. GURBACHAN SINGH DHINGRA – VICE CHAIRMAN OF THE BOARD AND CHAIRMAN - STAKEHOLDERS RELATIONSHIP & INVESTOR GRIEVANCE COMMITTEE, BUSINESS PROCESS AND RISK MANAGEMENT COMMITTEE
MS. RISHMA KAUR – EXECUTIVE DIRECTOR
MR. KANWARDEEP SINGH DHINGRA – EXECUTIVE DIRECTOR
MRS. SONU HALAN BHASIN – INDEPENDENT DIRECTOR AND CHAIRPERSON - AUDIT COMMITTEE
MR. PULAK CHANDAN PRASAD – INDEPENDENT DIRECTOR
MR. ANOOP HOON – INDEPENDENT DIRECTOR AND CHAIRMAN - COMPENSATION & NOMINATION AND REMUNERATION COMMITTEE
DR. ANOOP KUMAR MITTAL – INDEPENDENT DIRECTOR



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Arunito Ganguly:

Good morning everyone. I, Arunito Ganguly, Company Secretary of Berger Paints India Limited, welcome you all to the 97th Annual General Meeting. I will take a few moments to explain a few details about this meeting.

In view of the prevailing COVID-19 Pandemic, the Ministry of Corporate Affairs wive its general circular numbers; 14/2020, 17/2020, 20/2020 and 02/2021 dated 8th April 2020, 13th April, 2020, 5th May 2020 and 13th January 2021 respectively.

Read with the Securities and Exchange Board of India, Circular numbers SEBI HO CFD CMP 1 CIRP 2020 79 and SEBI HO CFD CMD2 CIR P 2021 11 dated 12th May, 2020 and 15th January, 2021 respectively has allowed companies to conduct their Annual General Meeting through video conferencing or other audio-visual means, thereby dispensing with the requirement of physical attendance of the members at their Annual General Meeting and accordingly this 97th Annual General Meeting of Berger Paints India Limited is being held through video conferencing or other audio visual means, in compliance with the set circulars and the relevant provisions of the Companies Act 2013 and the Securities in Exchange Board of India listing obligations and disclosure requirement regulations 2015.

Members attending this meeting through video conferencing or other audio-visual means shall be counted for the purpose of reckoning the quorum under section 103 of the Companies' Act 2013. The deemed venue of this meeting shall be the Registered Office of the Company situated at Berger House 129, Park Street, Kolkata-17.

Facility to join this Annual General Meeting through video conferencing or other audio-visual means is made available on first come first serve basis for shareholders. All members are kept on mute by default to avoid any background noise and to ensure smooth and seamless conduct of the meeting. Once the Q&A sessions starts, the names of shareholders will be announced who have registered themselves as speakers to enable them to speak at this meeting. The speaker shareholder will thereafter be unmuted to speak.

In order to give a fair chance to all speakers, 5 minutes are allotted to each speaker, you are requested to adhere to this timeline. To start speaking, shareholders are requested to follow the instructions of the operator, however if due to any reason they are unable to join the meeting through video, they can speak through audio mode. If there is a connectivity problem at the speakers end, the next shareholder waiting in the queue will be asked to join in. Once the connectivity improves and if time permits, he or she will be called again to speak after the other shareholders complete their speech. The shareholders who have already sent their questions well in advance through email, will upon consideration of the relevancy of the queries, also be responded during the meeting by the managing Director and CEO. For good audio-video experience shareholders are requested to ensure the following:

For better viewing experience, they can use their active speakers view.



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- Ensure no other applications are running in the background.
- Ensure Wi-Fi is not connected to any other device.
- in case there is any issue, they may contact the phone numbers and email IDs mentioned in the notice of the Annual General Meeting.

Now, I would request our chairman to take the chair and proceed with the meeting, over to you Sir.

Kuldip Singh Dhingra:

Thank you. Good morning ladies and gentlemen. I am delighted to welcome you all to the 97th Annual General Meeting of Berger Paints India Limited being held through video conferencing or other audio-visual means due to the current pandemic situation. The requisite quorum being present at this meeting, I declare the meeting to order.

Let me introduce my colleagues on the Board who are joining us from various locations:

Mr. Gurubachan Singh Dhingra – Vice Chairman of the Board and the Chairman of the Stakeholder’s Relationship and Investor Grievance Committee and Business Process and Risk Management Committee joining from Delhi.

Mr. Abhijit Roy – Managing Director and CEO and the Chairman of the Share Transfer Committee, joining from Kolkata.

Mrs. Rishma Kaur – Executive Director, joining from Delhi.

Mr. Kanwardip Singh Dhingra – Executive Director, joining from Delhi.

Mrs. Sonu Halan Bhasin – Independent Director and the Chairperson of the Audit committee joining from Delhi.

Mr. Pulak Chandan Prasad – Independent Director, joining from Seattle, USA.

Mr. Anoop Hoon – Independent Director and Chairman of the Compensation and Nomination and Remuneration Committee joining from Kolkata.

Dr. Anoop Kumar Mittal - Independent Director joining from Ayodhya.

Mr. Srijit Dasgupta - Director (Finance) and Chief Financial Officer joining from Kolkata.

Mr. Naresh Gujral - Independent Director has expressed his inability to attend the meeting on personal ground and hence may kindly be excused.

I would like to mention that the representative of M/s. SR Batliboi & Co. LLP Chartered Accountants, the statutory auditors of the Company is present at the meeting. I would also like



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to mention that Mr. Anjan Kumar Roy, Secretarial Auditor of your Company is also present. Mr. A K Labh, representing M/s A K Labh & Co., Company Secretary is being the scrutinizer for this meeting is present with us.

The Annual General Meeting is duly constituted in accordance with the Companies Act 2013, other applicable laws and the articles of association of the Company. All endeavors have been made to, under the present circumstances to enable you to participate and vote on the items, considered in this meeting. Since this meeting is held through video-conferencing or other audio-visual means, therefore if at any point of time due to certain unforeseen circumstances, I get disconnected, then Mr. Abhijit Roy- Managing Director & CEO will chair the meeting, till the time I am back.

The register of Director and key managerial, personnel and their shareholding maintained under section 170 of the Act and the Register of contracts or arrangements in which Directors are interested maintained under Section 189 of the Act and the certificate from Statutory auditors of the Company certifying that the ESOPs of the Company has been implemented in accordance with the Securities and Exchange Board of India, share based employee benefits. Regulations 2014 is made available for online inspection upon login at NSDL E-voting system. I take the notice of convening the meeting as read, all documents are started in the notice and the explanatory statements there to are available for inspection during the continuance of this meeting in the NSDL e-voting platform itself. Shareholders can inspect the same in electronic mode, only by following the instructions given in the notice. There is no qualification observation, comment or other remarks made by the Statutory Auditors in their report of the financial statements, both standalone and consolidated or by the secretarial auditor in his secretarial audit report for the financial year ended 31st March 2021, which we may have any adverse effect on the functioning of the Company. Hence the Auditors' report on the financial statements and the secretarial audit report are not required to be read at the meeting.

Dear shareholders, I along with my colleagues on the Board welcome you to the 97th Annual General Meeting of Berger Paints India Ltd. I am honored to chair the 97th Annual General meeting of the esteemed Company with remarkable legacy and lineage nearing 100 years. Like last year we are once again meeting virtually as the continued impact of the COVID-19 pandemic necessitates adoption of Safety protocols to arrest its further spread. I wish to express solidarity with those who have lost their ones and I wish a speedy recovery to those who are infected or battling with COVID-19 pandemic. I hope that you have received your e-copy of your annual report. During the Financial year 2020-21, the businesses of the Company have performed beyond expectations. The same has been possible with proper and intricate planning and execution, coupled with the technological support, human resources, products, services, and market presence.

At the final year end, the consolidated revenue from operations was Rs. 6817.59 crore, registering an increase of 7.1% over that of the previous financial year. The EBITDA excluding



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Other Income was Rs. 1187.98 crore on a consolidated basis which grew by 12% over that of the previous financial year. The consolidated net profit also grew by 9.7% over the last financial year. You will be pleased to note that the board has recommended a dividend of Rs. 2.80 that is 280% per equity share of Rs. 1 each. During the financial year ended 31st March 2021. The market capitalization of the Company stood at Rs. 74,304 crore as on 31st March 2021, as against Rs. 48,366 crore as on 31st March 2020, an increase of more than 53.62% in one year. You would be pleased to note that your Company is now the 7th largest paid Company worldwide in terms of market capitalization and ranked amongst the top 14 paint companies in the world in 2020. The CAGR of market capitalization was 36% over the last 10 years.

The decorative business contributed the most to this achievement. Your Company's primary differentiator is its ability to innovate in products, services, and processes with focus on digitization and a customer friendly approach. These together with smart teamwork, planning and perseverance by the team members, resulted in a robust growth in both revenue and EBITDA during the year.

The story of your Company's success lies in ensuring increase in foot prints across the customer network throughout the country. Your Company extended and ensured full support to the network, by enhancing the service levels which resulted in creation of goodwill in the influencer network. The Company repositioned "*Sirf Breathe Easy*" as "*Sirf Glamorous Nahi, Caring Bhi*". Owing to its dual benefits of aesthetics and protection. The luxury interior emulsion proved effective in restricting the spread of virus, through surface contact. Berger Silk glamour, Silk glow, Silk High Glow also provides a complete range of Luxury products with a wide variety of choice for the customers at the marketplace. Berger Easy Clean, luxury interior emulsion maintained its leadership position in its chosen category, communicating the key brand promise of cleanability. "*No Daag, No Dhabba, Only Beautiful Walls*". Your Company's popular consumer home painting service, express painting became safe express painting availed off through a consumer-friendly mobile app.

With the threat of the pandemic still looming large, your Company in order to overcome the difficulties posed on the consumers, launched its I-paint range of do it yourself (diy) products, consisting of self-painting kit, basic repair kit, enamel kit, glow in the dark kit, wall stencil kit and aerosol spray kit. These products are available from popular online market places as well as new e-commerce site of the Company. The major contributor towards your Company's robust growth during financial year 2021 has been the weather-coat long-life range which exemplifies the high durability of the product up to 10 years and home shield which showcases the provision of a scientific solution using moisture meter.

In the exterior emulsion category, your Company re-affirmed this position in the premium segment with weather-coat anti dust emulsion having its unique dust-guard technology. In order to fight the vagaries caused due to Corona virus, the Company focused on launching a range of hand sanitizers during its severe shortage in the country followed by a full range of cleaners and



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disinfectants under the umbrella brand; 'Breathe Easy' plus a slew of innovative offerings in the Company protective coating range helped maintain its leadership in business in India and diversified to newer segment internationally. Wide range of accessories were launched during the year including the paint brushes, masking tape, wet and dry sheets for wall and wood sanding, to name a few. Though the demand remained subdued in the automotive market, the Company continued to engage the major OEM customers. In-roads were made by your Company in the helmet, measuring tape, toto e-rickshaw, combines with its innovative products. Even though face stiff competition, your Company on the strength of its R&D capabilities, enthusiastic sales and marketing team, state of the art, in-house information technology department made a difference and helped your Company to achieve such impressive numbers. You will also be happy to know that the Company's subsidiaries and joint ventures have played their part in what has been achieved during 2021. With the disruptions called due to COVID-19 Pandemic, resulting in nationwide lockdown, restrictions and uncertainties, the efforts were on to protect the employees and their families, dealers and distributors and the painter community at large. Your Company declared that no man power as rationalization would be carried out and all job offers made to prospective employees were honored. To ensure that painters and their families do not suffer during the prolonged lockdowns, cash transfers were made to the bank accounts of more than 40,000 painters even as everything else was shut. To protect the painters in a COVID affected world and mitigate the effects of any adverse exposure, some 30,000 plus painters were extended the benefit of Rs. 50,000 for COVID protection that covered all expenses incurred in their treatment and securing them financially. Your Company also provided a 'death and permanent disability' insurance coverage to more than 40,000 painters. Vaccination camps for employees and their families were organized at the Company's head office situated in Kolkata. As a part of Berger CSR initiatives, oxygen-generation plants and oxygen distribution systems were donated during the second wave of the Corona Pandemic to various States. The manufacturing facilities, logistics functions also adhered to the COVID protocols while making significant contribution towards the Company's growth. Wirth renewed focus on sustainability, your Company's pledge for a safer and greener environment surely had a positive impact. As a responsible corporate citizen, your Company continues to contribute socially during the rather trying times to adopt and promote usage of safety precautions, hoping that the large-scale vaccination drive will lead to a better tomorrow.

Friends, you will be happy to note that the Company expects to commission its new plant at Sandila Industrial area, Hardoi, Lucknow in 2022 subject to receipt of required consents and approvals. The Pandemic has taught us once again that we cannot predict the ways of nature however, under the able guidance of the board of directors, professional management team supported by a motivated workforce, your Company is confident of making rapid progress in your Company. We at Berger, realize that we must continuously re-invent, engage its stakeholders, and be prepared to face with any uncertainties. With innovation, quality ethics and service as key values, we have overcome many challenges and will continue to do so, in the long term with all your support.



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With this, I hope and pray that each one of you and your family and friends stay safe and secure in these testing times, thanking you Kuldip Singh Dhingra – Chairman, 27th August 2021. After tabling of the resolution is over, registered speakers can express their views and ask questions.

Now I will take up these formal items of this AGM at seriatim.

- The first item of business relates to the adoption of audited financial statements; both standalone and consolidated of the Company for the financial year ended on 31st March 2021 along with the reports of the board of directors and the statutory Auditors thereon. The objective of this item is to comply with these requirements of the Companies Act 2013.
- The second item of business relates to the proposal to pay a dividend at the rate of Rs. 2.80, that is 280% per equity share for the financial year ended on 31st March 2021. To those members, holding shares in physical form and whose names appear in the register of members on 27th August 2021 and holding shares in electronic form to those whose names appear in the list of beneficial holders furnished by the respective depositories as at the end of business hours on 20th August 2021. The objective of this resolution to declare a dividend for the financial year 2020-21.
- I am interested in the 3rd, 4th, and 5th items of business and therefore I request Mr. Abhijit Roy to chair this meeting and read out the items.

Abhijit Roy:

Good Morning Ladies and gentlemen, the third item of business relates to re-appointment of Mr. Kuldip Singh Dhingra as the Non-executive Director of the Company, who retires by rotation at this meeting and being eligible offers himself for re-appointment. The objective of this item is complying with the requirements of the articles of association of the Company and the Companies Act, 2013.

- The 4th item of business relates to re-appointment of Mr. Gurubachan Singh Dhingra as the Non-Executive Director of the Company who retires by rotation at this meeting and being eligible offers himself for re-appointment. The objective of this item is to comply with the requirements of articles of association of the Company and the Companies Act 2013.
- The 5th item of the business relates to approval for continuation of Directorship of Mr. Kuldeep Singh Dhingra pursuant to regulation 17/1A of the SEBI Listing Obligations and Disclosure requirements, Regulations 2015. The objective of this item is to comply with the requirements of Regulation 17/1A of the SEBI listing obligations and disclosure requirements, Regulations 2015.

I would now request Mr. Kuldip Singh Dhingra to take the chair.

Kuldip Singh Dhingra:

Thank you.



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- The 6th item of business relates to re-appointment of Mr. Abhijit Roy as the Managing Director and CEO with effect from July 1st, 2022, for a further period of 5 years up to June 30, 2027, not liable to retire by rotation, pursuant to the applicable provisions of the Companies Act, 2013 and the rules framed there under and the SEBI listing obligations and disclosure requirements Regulations 2015. The objective of this item is to comply with the requirements prescribed under Companies Act 2013 and the Securities and Exchange Board of India listing obligation and disclosure requirements, Regulation 2015 towards re-appointment of Managing Director and CEO of the Company.
- The 7th item of business relates to revision in remuneration of Mr. Abhijit Roy- Managing Director and CEO of the Company, pursuant to the provisions of section 197, read with schedule 5 and other applicable provisions of the Companies Act 2013, including any statutory modifications, amendments, re-enactment thereof for the time being in force, relevant rules and the provisions of the memorandum and articles of the association of the Company. The objective of this item is to comply with the requirement prescribed under the Companies Act 2013 and the rules made there under and the provisions contained in the memorandum and Articles of association of the Company.
- The 8th item of business relates to the ratification of the remuneration payable to the cost auditors of the Company for the financial year 2021/22, pursuant to the applicable provisions of the Companies Act 2013, read with the Company's audit and auditors rules 2014. The objective of this item is to ratify the remuneration payable to the cost auditors in accordance with the applicable provisions of the Companies Act 2013 and the rules made thereunder.

I now invite the speakers to put forth their queries and suggestions, I would request the speakers to be precise. We shall be happy to answer all your questions or provide clarifications after all the questions are raised.

Moderator: Thank you very much sir. Ladies and gentlemen, we will now begin the Question-and-answer session. We take our first shareholder Tamal Kumar Majumdar. You may go ahead, please.

Tamal Kumar Majumdar: Good morning Mr. Dhingra – our Chairman Mr. Gurubachan Singh Dhingra – Vice Chairman Mr. Gujaral, Mr. Hoon, our CEO – Mr. Roy and other directors of the Company. Myself Tamal Kumar Majumdar, an equity shareholder from Kolkata. Thank you, Mr. Chairman, for sharing your thoughts with us. Secretarial team consist of Rajeev Dey, Sumant Dey, Beena Bhattacharya and others under the leadership of our beloved Arunito Ganguly is always ready to help its shareholders. Mr. Ganguly though a bit introvert, is one of the best Company secretaries of our time. He always remains low profile despite his vast knowledge, true to the spirit of the group, Mr. Ganguly is also advocating for listening to shareholders for value addition. I have gone through the 274 pages annual report and I have some queries relating to the auditor accounts and some other matters and seek your indulgence. Firstly, despite the COVID-19 pandemic, our



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Company's results during financial year 2021 comparison to financial 2020 is praiseworthy. Revenue from operations during financial year 2021 was Rs. 6021 crore against Rs. 5608 crore, during financial year 2021 standalone basis, despite decrease in other Income by Rs. 95 crore during financial year 2021, better realization helped the Company to increase PBT of Rs. 919 crore during financial year 2021 on a standalone basis and sir due to second wave of COVID-19, practically there was no sales in May 2021 despite increase in freight, crude price the Company booked a sale of Rs. 1619 crore with a PBT of Rs. 181 crore on standalone basis. And which is really commendable. Mr. Roy in a media interview remained positive for the remaining period of 2022 saying price enhancements of Company's products absorbed by the buyers with enhanced demand. Would you please share your view on this aspect and Chairman sir you talked about the contribution of e-commerce? Would you share with us the contribution of e-commerce business during financial year 2021 and Q1 of Financial year 2022? And your expectation for the remaining part of the year? Sir how top film star like Akshay Kumar and Kareena Kapoor helped our brands like Weathercoat and BreatheEasy in the market, how much you paid to them during financial year 2021? And what is the contribution of tier2, tier 3 and tier 4 cities, in our revenue for financial year 2021 and Q1 of financial year 2022. Today crude prices is hovering around \$ 71, I think more than \$ 71 yesterday per barrel with an upward trend due to several factors like production slash by Mexico, US market rally, etc. taking into account all these factors do we believe that no further price increase of products will be required in the coming months. Please share your thoughts. Sir Company's construction, chemical business continued to grow rapidly during last 3 years, how we fared during Q1 and projection for remaining part of the year. Sir automotive sector is showing positive trend with new launches and sales also started picking up, our Company also mentioning on page 36 the demand is recovering and the Company with its innovative products is catering to the automatic painting business. When announced capacity of Jejuri plant will start commercial production? Or whatever the industrial, automotive industrial, resin and productive coatings, what will be the contribution to our profitability and turnover during financial year 2022. Please share details in respect of capitalization of Rs. 216 crore on account of building plant and machinery and other assets during financial year 2021, it is to Rs. 114 crore, whether it includes Jejuri plant also? Sir during financial year 2021 our Company booked only Rs. 3.92 crore as dividend from subsidiary in against Rs. 100.9 crore as Berger Jenson & Nicholson, paid Rs. 292.69 crore and SBI Specialty Coatings paid Rs. 7.40 crore. And sir Bolix has a reserve balance of Rs. 218 crore as on 31st March 2021, why our Company is not taking back major portion of it as dividend like it did in its Nepal unit. I want to know your view in this regard, Bolix has more than Rs. 200 crore for reserve. So, whether the found at as brand or enamels whose overall consumption and value transcript to be on the decline from the last 2 years is now recovering and what is the present status of its manufacturing plant at Sandila. Sir, PAT Rs. 131 crore we did both; increased our investments in Berger paints Cyprus Ltd. by Rs. 5.92 crore and also to Rs. 296.04 crore and also provided Rs. 14. Crore as impairment under exceptional item in P&L account. More in the Company bared in suspension, more than 80% of its value in audit, what is the present thinking of the management in respect of the Company? Sir what is the rationale or further investment of Rs. 106 crore in Lusako Trading during financial year 2021. I strongly believe that we need a



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re-think on our investments in some of the subsidiaries due to their dismal performances, which ultimately affect the parent. Please share your thoughts in this regard. Sir, as per Page-158, supporting expenses have increased more than 8 times from a meagre Rs. 13 crore to Rs. 119 crore during financial year 2021. What is the reason for such abnormal increase? Whether the same trend will continue in the coming years? And sir our Company gave guarantees to our subsidiaries and one JV, totaling Rs. 299 crore and on that income of Rs. 1.60 crore for these during but Honorable Supreme Court during the month of May 2021 paved the way of invoking personal guarantees of deferred in Corporate debtors, I believe that the Company will judiciously issue corporate guarantee keeping in mind parent's interest, please share your thoughts sir. Our report talked about in-house innovation like last year but our R&D expenses is only Rs. 18.79 crore which comes to meagre Rs. 0.31 crore of total turnover, why you are not giving importance to R&D, decreasing more dependence on fuel cess as the innovation will walk the talk. And lastly, sir the Company under its CEO, Mr. Roy and his team did wonders during the critical period of COVID also, so we wholeheartedly support his appointment and wholeheartedly support it and thank you all for patient hearing sir. Thank you.

Moderator:

Thank you, our next shareholder is Manoj Kumar Gupta, you may go ahead please.

Manoj Kumar Gupta:

Good Morning. Respected Chairman, Board of Directors, and fellow shareholders my name is Manoj Kumar Gupta, I am an equity shareholder of Berger Paints India Limited. Sir first of all I thank you and your team and MD and his team for excellent results during this pandemic COVID-19. Sir after two years, I am meeting you and I got a very high respect to you sir because you are bringing a lot of professionalism in this Company and I have a great respect to our MD and his team because I always say and I will say that earlier MD used simply shine faces of the people, now he is bringing shine to our homes. Because earlier he was in Loreal, now he is in Berger, so both businesses are different, earlier you made everyone's looks good, now you are making everyone's home shine. And sir I thank your Company Secretary that who has done a wonderful job this year and such type of Company Secretary should need the corporate house because he has done a wonderful job, he has kept in touch with for how to attend this AGM and how to cast in the AGM and I come through this Chorus call. Dividend, Market share, CSR I will not say a single word. Sir what is your future outlook for the paint industry in the Company sir and sir appoint a brand ambassador from the Olympics winners and sir Berger should adopt women's hockey team, sponsor women's hockey team, women empowerment should be there and sponsor women's some sports like because this year our women's hockey team has done an excellent work in the sports sector in the Olympics, they have reached up to semifinals, unfortunately they could not get the medal but try to adopt some players from the Olympics team and inspire them to get medals and let us win. And sir, COVID-19 impact and I thank to you for providing an excellent quality sanitizer because I run few hospitals in Kolkata, I insist my colleagues to purchase Berger sanitizer and I went personally to wholesale market, Kolkata Babri market to purchase the Berger sanitizer when I have seen your advertisement in the media in first phase of lockdown in the first week of May, then I went personally to buy the Berger sanitizer, so try to launch some more products to fight against any virus, anything. And last but



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least wish you Happy Birthday in advance sir, after 4 days we will celebrate your 75th Birthday, so wish you Happy Birthday and I pray to Almighty for your healthy and prosperous safe long life. Convey my regards to your daughter also sir, one day advance her birthday is there, thank you.

Moderator: Thank you. Our next shareholder is CA Sarbananda Gattani. You may go ahead please.

CA Sarbananda Gattani: Hello. Namaste Sir. I have been meeting you for the last 20-25 years.

Moderator: Mr. Gattani you are muted from your side. Please unmute. Mr. Gattani, this is the moderator here. Your line is muted from your side, I request you to unmute your line please.

Management: I think his frame is also frozen.

Moderator: While we check for the connection of Mr. Gattani, we move to our next shareholder CA Brigyan Singh Shrimal. You may go ahead please.

CA Brigyan Singh Shrimal: Mr. Chairman sir and members of the board, I am CA Brigyan Singh Shrimal. I am extremely grateful to you sir for giving me the opportunity to share my views and thoughts at the AGM, having done your duty, wonderful work done by CEO and MD Abhijit Roy. Most excellent results under the very pressing circumstances, I believe he will continue to achieve higher goal in the years to come. Also, I am extremely grateful to Mr. Ganguly and his team for the wonderful balance sheet and. Sir with this I have few suggestions for your consideration, number 1 is if we can give a synopsis of the Director.

Kuldip Singh Dhingra: We cannot hear you; your voice is breaking. I think if you can switch off your video, it might make it easier. Just switch off your video and just talk, I think because, it is a bandwidth issue, I think.

Moderator: On the top right, you will get the option to turn off your video.

Kuldip Singh Dhingra: On the top right-hand corner, you will see one thing called 'video on' on the top right-hand corner of your screen. That you just click on that, it will get switched off.

CA Brigyan Singh Shrimal: Yes, what I was telling is if you can hold the meeting during the day time of the day it would have been very helpful. Then about the dividend part sir you had declared a good dividend and I believe you should also declare an interim dividend because there are lot of shareholders who are senior citizens and are dependent on the earning of the dividend, so if you can declare interim, it would be helpful. And you have a good first quarter result. And as Mr. Roy said he is expecting a good result from 3rd quarter onwards also, so please consider that and I would request Mr. Ganguly to see that the dividend is in our hand within tomorrow itself, because that is the rule of the game, most of the companies are giving dividend immediately. Then sir, your proactive measure for claiming the unclaimed dividend is laudable and I should also request that you



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should take further steps in this direction, so that those shareholders who has not claimed the dividend would get their dividend and before it is being forfeited. Sir, this (Inaudible) 44:28 terms part, sir what is the cost utilization and what is the actual result produced in the year 2021 and what is the expected cost control for the year 2021 and 2022 sir if you can kindly inform. Sir then capacity utilization, would you tell me sir what is the total capacity utilization in 2021-2022 and also the (Inaudible) 45:04 and whether we have reached the pre-COVID production. Then what is the ratio of e-sale and physical sale. You have held the meeting of Independent Director and if you (Inaudible) 45:28 because they discuss in their independent director, the boards activity and whether they are satisfied or not, so as a shareholder if you can give us some information about that. Then sir, the CSR activity, you are doing a good CSR activity but it is not very clear type of activity you are doing. There are names appearing, different type of companies, different names, and states but actual activity I am unable to understand, if you can tell us and the thing which has come to my notice that you have (Inaudible) 46:20 Rs. 6.84 crore of administrative charges in the CSR activity which to my mind appears to be in a very higher side, so if you can kindly let me know the reason of the same. Sir, your and Executive salaries are very reasonable, I must appreciate that comparing to the other companies but sir if you can enlighten me why Mr. Dhingra and the vice chairman's commission is more than the other Director, this is Rs. 6 lakh and others are less. Sir, certificate from CAO and CFO has not come to my notice, if you have these certifications, kindly inform me. Sir, I would also request you that the balance sheet should be signed by all the directors and specifically the audit committee chairman to give us a full satisfaction about the accounts and why the independent directors have been excluded from signing the balance sheet, please see that in future they sign the balance sheet. Sir, then your equity is only Rs. 17 crore which is for the last 5 years, so what is your idea of increasing the equity, you have some debts also, why do you not think of issuing some rights shares and also your bonus share is due, you have huge reserves and surplus, kindly see that the shareholders get also some beneficial interest in this. Sir, one thing that strikes me very much is your Other Income which has been reduced from Rs. 100 crore odd to Rs. 55 crore this year and that is to my mind due to the non-payment of dividend by your subsidiary Company. So, kindly take care of the health of your subsidiary Company. Why the dividends have not come from them if you can enlighten me. Sir, then another thing which strikes me very much is in page 202, your subcontractor wages have gone Rs. 190 crore against Rs. 1338 crore, would you kindly enlighten me the reason sir. Sir with this I would like to conclude, I know I have many points this is not the exact time and forum to discuss it and I am grateful to you for giving me a very patient hearing sir. One thing I would say in concluding, this is my personal view sir, the time taken for reading the resolution sir has hardly any meaning today, when we have already received, to my mind 90% of the voting has already been casted before the AGM and everybody is quite known how of the thing. With this I thank you all, intelligence, and knowledge. With this I would like to conclude and thank you very much for giving me the patient hearing and we wish you; we wish you a very good health and ending of the AGM and meet next year with better result. Thank you very much sir.

Moderator:

Thank you. Our next shareholder is Kaushik Shahukar, you may go ahead please.



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Kaushik Shahukar:

At the outset, let me introduce myself as Kaushik Shahukar from Mumbai. Good morning to all. Professionally I am a Chartered accountant, medically I suffer from Dystonia, in simple terms 55% of my body is paralyzed and this impacted my right hand, my right leg and speech, I have not however treated this as a hindrance as I have mentioned before despite my medical condition, a chronic condition I have successfully completed my chartered accountancy course and as I strongly believe that I am self-reliant and self-dependent, I admire the virtues of the Berger paints that share the same principle of making people self-reliant, through your ongoing and continuous philanthropic work. You have made and are making a positive change in our society, sir in spite of my chronic conditions, I still prefer to work to support me and my family livelihood, this is the principle of self-reliance, sir if our Company can show some generosity and shower some blessings over me, it can change my life. Sir, I hope supporting a physically challenged person is a CSR activity in the eyes of our Company. Due to aforesaid I had previously approached our Company to work in the certification area, unfortunately that has not progressed, I would therefore like to use this forum to reach out to you and explore avenues where we could work together. I am confident that you may find my professional acumen a value-add to our esteemed organization and will empathize with my condition and support me with certification work. I would like to thank the Board of Directors for giving me the opportunity to speak and also patiently hearing me. Before I end my speech, I would like to give special thanks to the entire Secretarial department, including Mr. Auronit Ganguly, it was only their efforts which have made this event possible for me. Please accept my big thanks and it is from the bottom of the heart. I am also hopeful that the Company will empathize with me and will religiously consider me. Can I expect a positive response from the Company? At the end I support all the resolutions and I have voted all of you. I have been and always will be a proud shareholder of our Company. Thank you.

Moderator:

Thank you. Our next shareholder is Santosh Kumar Saraf, you may go ahead please.

Santosh Kumar Saraf:

Respected Chairman, members of the board and my fellow shareholders present through the video conference, I am Santosh Kumar from Pratapgarh a very warm welcome to all of you. I hope all our directors, employees, stakeholders are healthy and safe in these COVID-19 times. I would like to give a thank you on your performance and Mr. Chairman I would have offered you a bouquet but since I cannot meet you, so I am requesting you to accept this bouquet that I have with me at my home. And MD sir there is a separate bouquet for you, please accept it from me. Do not feel bad sir but since I cannot go that is why I am giving it to you this virtual way.

Your Company has been performing very well and I like to give a big thank you to Mr. Ganguly and his team, he is proactive and good that he pays special attention to the minority shareholders also. I would give an example to you on this, I felt so nice and felt surprised when during the COVID-19 time, he gave us a personal call and asked Mr. Saraf how are you, is everyone fine at your home, do you need any help, if so please let us know. So, just think of it sir, not only during shareholder meetings even after that one who takes care of the shareholder, the one who is working under, has good ethics or these are Berger Paint ethics and in today's COVID period



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when this pandemic has hit us in the last 100 years, he remembered us, I felt very nice sir and I pray to god that he remains the same way ahead also and god give him a long life.

Secondly, the awards and rewards that your Company has received, for that I would like to thank all the employees that their hard work is paid off, the award and recognition is all due to their hard work, so I would like to thank all of them sir. And would say to them to keep on working the same way so our Company gets awards and rewards, those are all the fruits that we get out of their hard work in the forms of awards and recognition. And I pray to them to keep themselves engaged in work, so that our Company gets those awards and rewards. Sir, in this year you launched a new products BreatheEasy, for the stake holders have not done, we did not get any sample packet of it, so we would definitely to see 4-5 products that you have launched like bathroom cleaner, toilet cleaner, sir in this I have one request, if you feel good about it then accept it or else not necessary sir. Because the bathroom and toilet cleaner is similar to Harpic color, so I want you change the colors of blue and red to green maybe, because green color we use for portraying environmental friendly product and you just discuss with the management because we need to portray ourself as different, like Berger paint is different in itself and we feel that people follow Berger paint, concile and all have come into home painting, so I would definitely want you all to portray some different look and we take pride in saying our Company is different. Sir, I had sent a letter to the secretary sir, in which I had mentioned that what is your capital plans, roadmap of the future and what initiatives have you taken for clean and green energy, like rain water harvesting, which will reduce the use of fresh water, renewed energy related and solar panel installations on factory rooftop and what steps have been taken there. Maybe it would be on the table but will still repeat it to you, less usage of plaster, single use plaster is used less, so mention about it also sir. And sir I asked that the total employees that we have, approximately 3814 permanent employees' sir and apart from them there are painters and casual employees are there, so I would want that they are 100% vaccinated or if else not done then get them and their families 100% vaccinated, because after they do work and meet their family members, if their families are not vaccinated then it will be difficult for them to be safe. So, it's a request from you, you do a lot of CSR activities, so tell the employees to vaccinate their families as well and it is difficult to get slots in the government hospital due to lines, so tell them to get vaccinated in private hospitals and the cost will be borne by the Company, so we will be able to complete 100% vaccination very soon.

And sir, the female employees are very less sir, only 2% female employees are there sir and I would like to tell you to give more and more chances and the reason is that female empowerment will be meaning that we will be empowering the country, this will empower the society, houses and we will be making their children future ready. So, I would like to say that female would be given more and more employment opportunities and would definitely want to see the figure from 2% to 3% or 4% and increase the employment opportunities every year. And also, sir, women are never weak in any aspect sir and Roy sir might have seen that we excelled in the 15kg weightlifting category in the Olympics that just went by. Sir, in boxing also Lovlina brought us a bronze metal and if wrestling also bronze metal was brought to us and in hockey, we just



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missed the bronze and in the coming year maybe we bring the medal in hockey, I pray from God that you empower them more and more and give your contribution in making our people.

I will end my commentary here and once again pray to God that Mr. Chairman, Mr. Ganguly, Mr. Roy, and his team and all of our key managerial staff they live long this year of 2021 bring in happiness, wellness and prosperity and it goes along with everyone being safe. I would request you to continue video conference because of this people are able to connect with you from across the globe, be it monsoon season in the country, otherwise it would not be possible to do meeting in Kala Mandir. So, I would want this video conference to go on and I also understand this aspect sir that the expenses to be saved in video conference, printing expense is also saved sir. Jai Hind Jai Bharat. Jai Sriram, I would once again welcome you all and pray for your long life from God and under your leadership the Company improves like this and we get dividend payout sir. Thank you, Sir.

Management: Thank you.

Moderator: Thank you. Our next shareholder is Mr. Jaydeep Bakshi, you may go ahead please.

Jaydeep Bakshi: Good afternoon. Myself, Jaydeep Bakshi, also good afternoon to all the board of directors and CFO. Myself, Jaydeep Bakshi communicating from the city of Kolkata. Thanks to our very active Company Secretary, Mr. Arunito Ganguly for giving an opportunity to express my views and keeping in touch and phoning to our queries and also to the entire Secretarial department for making this video conference a grand success. Sir, the Annual Report has been presented as very well-picturized and well-presented annual report and in the initial pages where you have mentioned the conquering pics is a good graphical visualization and also the product details under the painting and the coating sector, it gives a confidence among the customers and feeling of the variety on the products which came to us.

The Pandemic has created a havoc and the lessons we have learnt from the impact, what are the plans we are taking to implement in case of future crisis and improve ourselves and come out from this situation in future. Sir, congratulations to the R&D team for the new products and innovative ideas and what are our future expenditure plans in this. Sir I had seen in your robotic machine in your Rishra plant, how is it performing, just that idea to know because and more future implementation on this AI sector. Sir, regarding the industrial application in the powder coating business, how much has been the business generated and any new area of penetration or tie-up with the original equipment manufacturers. Sir regarding any new technology also, in the pipeline for the advancement and any new toner development for like the value-added products like that. You have imparted training to many painters and we as customers can benefit from their skill. You have helpline number in your annual report, why do you not add these painters in this helpline, so that whoever can avail of this opportunity of these painters who have been trained under your guidance. Sir, your CSR activities has always been great and under your leadership and you have helped out to the painter families and the safety kits you have provided



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for their protection is a good initiative. Sir, regarding the Olympics and these sports person, all the news is around. Sir, I would request you sponsor any sports person or any sports field as many bright and potential athletics are lacking the penetration due to the financial constraints. Sir, if you can help out and reach out to them, so they may be in a bright future and bring glory to our nation. Sir, once again thanks for the dividend of 280% and regarding our energy conservation and water management is always great. And sir, whatever thought process for the single use plastic because this is being considered to being banned by our government. And sir, regarding the implementation of the 75th Year of Independence which is round the corner, sir why do we not implement this on our packing items on the previous products which you have, this will create an awareness and because it will remind us about the well-brought glory which we have thought out in our history. Sir, any new acquisition plans as many companies maybe struggling to survive in this economic crisis period, so any new plans like that. Sir, nothing to add more. Under your leadership and Mr. Roy's guidance, I hope our Company will bring out many bright futures. Everybody stay safe and reward us with the enhanced dividend and bonus in the coming days. Thank you, stay safe Sir.

Management: Thank you.

Moderator: Thank you. Our next shareholder is Gautam Nandi, you may go ahead please.

Gautam Nandi: Sir hello and good morning. Respected sir, Board of directors and my online fellow shareholders, myself Gautam Nandi of Kolkata, a very old equity shareholder of the Company. Sir, first I would like to give thanks to your secretary.

Moderator: Gautam Nandi we cannot hear you. Mr. Nandi we will check your connection, while we check the connection for Mr. Nandi we will take our next shareholder, Mr. Ashit Kumar Pathak, you may go ahead please.

Ashit Kumar Pathak: A very good afternoon, first my best wishes for good health, happiness, prosperity to respected Chairman, MD, CFO, Board of Directors, Company Secretary, staff, fellow members joining at 97th AGM of Berger Paints India Limited. My name is Ashit Kumar Pathak from Dum Dum, Kolkata. At first my esteemed gratitude to Vice President and Company Secretary Mr. Arunito Ganguly and secretarial department for sending me the hard copy of the Annual Report by courier very well in advance and allow me to speak. Also, my esteemed gratitude to Mr. Rajeev Dey, Mr. Sumon Dey and Mr. Alex for their enhanced co-operation to shareholders. Also, thanks to Chorus call, the event management for nicely conducting virtual AGM and thanks to NSDL also, on the reminding the voting period. I have successfully casted for all eight resolutions mentioned in the notice and some brief views which I like to share.

Financial performance, financial year is very optimistic apart from pandemic where quarter 1 financial year 2021 very much impacted with lockdown and hampered the production activities and also supply chains. And standalone revenue very registered in growth 5.8 over last financial



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year, consolidated EBITDA registered in 14.5 growth over last financial year, also net profit Rs. 680.78 crore against Rs. 699.05 crore and consolidate financial performance also very good: revenue 7.1 and EBITDA 12% growth, also net profit Rs. 719.72 crore. And also, member getting dividend 280%, very nice and also with capital market appreciation. EPS also 7.01 from 7.20. As a minority member, I feel proud to be a member of Berger Paints India Limited.

Sir, also a largest paint Company, second being ranked amongst the top and the second Company and also ranked amongst the fourteen paint companies in the world since 2022 by Coatings World. Also, thanks Company management teams for achieving awards and recognition in financial year mentioned in the Annual Report and also mostly set up 43 I-train academies, took 1,20,000 training sessions and also very corporately and helped to the date and disability insurance up to Rs. 2,00,000, safety kits also painters and directly benefit 40,000 painters with their financial support. Nice achievements from our Company side.

Sir, in the budget session financial year 2022, Indian government declared various strategies likely monetization in Railways, Airports, big Metro Rail projects within States, National Highway projects, Bharatmala Development Projects, Health Infra, such Bharat mission Rs. 2.87 lakh crore for 5 years, 70, 000 Urban and Rural healthcare, drink water, universal water supply scheme, export to 100 countries and 227.8 lakh Atmanirbhar package, big focus for employment generation and tax relief for affordable housing loan, my views is that how my Company is in momentum to take this opportunity, can you throw some highlight? A renowned decorating Company, decorating and coating make some strategies which like to share. I think my Company management thinks also in the same way, some are lots of acquisition in decorative powder, double digit margin paints and coatings, people safety, working capital efficiency, strong cashflow, re-invest future growth, moneyback guarantee, coating anti-corrosion and liquidity management, preserved cash, customer management services, pioneering positive surfaces with strong R&D, customer's preferential changes, sustainability with ECG global and return to shareholders, re-use of plastics, solar panel for energy conservation, automation in sales force, strong introduction new format for distribution, boost the boundary for innovation for customers' preferences, brand building with innovative model, strong in customer relationship management, minimized packaging by AI, water management and waste management, logistic optimization model, in charge analytics, AI based new materials price predictions, raw materials price predictions and AI waste production cost minimization and better price and better quality realization model, all and AI based social distancing. All these strategies they have taken which I like share to my Company. If possible, throw some highlight, capex programs for taking major step in manufacturing operation, decarbonization and digitization in supply chain, cloud eco-system AI based tools and carbon footprints reduction, if possible, throw some highlight about this. Sir expected date of production activities in Sandila Industrial area where investment was Rs. 800 crore approximately mentioned in the Annual Report and disruption caused due to Pandemic and mentions subject to receipt of required consents and approvals, expect cost for acquisition 22 acres at Panagarh, West Bengal from WBIDC and possibility starting date of production activities, if possible throw some highlights. And renovation for cost of Pondicherry



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plant, if possible, throw some highlights. Sir, standalone net profit margin is slightly lower than previous year and rate return of net worth also decreased but all parameters are very nice. Our foreign exchange earnings is very low, Rs. 7.41 crore against outgo Rs. 672.17 crore but it mentioned my Company present in eight countries with export and several countries to strategies and road maps for development or international business, if possible, throw some highlights. My request this de-list our Company from Calcutta Stock Exchange and also very nice employee's remuneration median increased from 0.16, my requested Chairman, Vice chairman decreased their remuneration and Mr. Director not taking sitting fees, that is very nice, I appreciating to my management teams and CSR activities spend Rs.15.61 crore in I-train. Sir in pandemic, any CSR activities also to be made because our West Bengal is very infected by the effect of second wave, inventory is also higher than previous year, maybe if possible and current liabilities also higher than previous year and also we have five Indian subsidiaries and three foreign and three joint ventures but dividend income is very low. So, what strategies and road maps our Company has taken to getting dividends from subsidiaries because our capital investment also there. And sir, also maximum investment in mutual fund because mutual fund is invested to subject to market risk and that is the speculative investment and other income also decreased in Page 156 not 23. Paid receivables also higher than previous year and allowance for credit incurred mentioned Rs.16.88 crore and also impact in sudden surges prices of raw materials. This is a very vital point, where Page 156 cost of materials consumed also higher than the previous year and on bad debt on page 158 Rs. 16.71 crore which is higher than Rs. 5.67 crore, Mr. Shimon also mentioned sub-contractor expenditure, myself also same question which is Rs. 119.01 crore against Rs. 13.38 crore and also page 159 impairment of investment in subsidiaries, Rs. 14.80 crore mentioned and also earlier the impairment amount also mentioned Rs. 56.60 crore, wholly probation of BPCL subsidiary and also a corporate guarantee mentioned Rs. 198.80 crore which is an commitment for Rs. 159.29 crore against previous year Rs. 45.49 crore and also nothing to say more, I am praying to God everybody associated to Berger Paints India Ltd., we sound health and mind and blessings of God to everybody and top 1 paint Company I expect from Berger Paints. Thanking You sir.

Moderator: Our next shareholder is Gautam Nandi who is on an audio call, you may go ahead please.

Gautam Nandi: Good morning. Respected Chairman, Board of Directors, and my fellow shareholders. Myself Gautam Nandi. I am a very old equity shareholder of Berger Paints India Ltd.

Moderator: We will move to our next shareholder Amit Kumar Banerjee; you may go ahead please.

Amit Kumar Banerjee: Good afternoon to all my name is Amit Kumar Banerjee from the city of Kolkata, respected chairman of the meeting and the Board members present, thank you for getting me connected an opportunity to speak on such a beautiful occasion. It is our 67 Annual General meeting of the Company Berger India Ltd. Company's manufacturer paints, varnishes enabled, first of all I would say I am a proud shareholder of the Company and I am a long-standing shareholder, the performance is concerned excellent as presented during this year under the review. Beautiful



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performance, good growth strong financial performance, consistent dividend paying Company. I thank our Company management under the leadership of our respected chairman Mr. K S Dhingra, our Company is now focusing one of the best leader in the paint industry in the country today. Our MD Mr. Abhijit Roy, is also quite experienced now, presenting best performance last few years together. Our Company Secretary Mr. Aurinito Ganguly and his team members, Rajeev Dey, Mr. Sumant Dey, are all quite experienced, since they are maintaining good relationship. As regards the performance is concerned, total revenue increased. The total revenue about 5.8% in comparison with the last year.

Moderator: While we check the connection for Mr. Banerjee, we take our next shareholder Abhirup Nandi, you may go ahead please. As there is no response, we take our next shareholder who is on a audio call Taraknath Chakraborty, you may go ahead please.

Taraknath Chakraborty: Good afternoon Mr. Chairman, Board of Directors and present fellow on video conferencing joining member and hello to Company shareholders. And first of all, I thank our Company secretarial department Mr. Ganguly associated all the members, the secretarial department is really very nice, cooperative, and connected our Minority shareholder touch up lining. I am very pleased and not only that 2019-2020 and 2020-2021 is a very danger phase which we are already passing, the Corona pandemic time, so naturally our lifestyle, human structure overall is change and last two years over the online VC conduct is really our lifestyle is at a very sad stage, so naturally in this stage all Berger paint is video conferencing with Chorus is a really very good arrangement and conduct to all our joining members, minority shareholder is really I am very pleased and personally I felicitate the members in VC conference and our secretarial department team and this years' 2021 Company's Annual Report is expected a monumental pillar in fact of rising the cost, the Company changed the cost and cost control and cost reduced is good and cost reduced and time is the accounting standard is one of the big side in **(Inaudible)** **1:26:45** and not only I am very proud to know the really lifestyle has been changed, every people are feeling safe at home, basically, my personal opinion, in my opinion I am safe at home but our Company involving the members from Chairman to all our personnel and really very risks their life at job and present time scenario, the Berger Paints as per this years' annual report is expected a monumental pillar and try to exhibit the balance sheet annual report is very wonderful thing. I personally thank to Company, Board of Directors, Company chairman, Director Finance and all our members, all are Company staff and labor and site staffed persons. And really this year Company turnover is very slow in regarding to pandemic times and naturally this is not value but Company target, the profit side margin there is much increase since the last year figure, 2019-2020 to 2020-2021, so naturally I am very pleased, minority shareholder keeps safe, keep wanting the good turnover, good profitability and good dividend, and the Company has been able to maintain these things very well and Berger Paints. And naturally I know the discussion in accounting is really very good 100% benchmark points of accounting standard, really very good. I know in this pandemic time; you all are servicing at the risk of their life. So, naturally we are not disturbed to your queries and unless and until the Company accounting standard. So, naturally I am very pleased with the accounting size. Company paid the dividend this year,



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Company turnover is very nice, Company is maintaining the normal year and I just come back to 10 years, this year I am meeting physically, our lifestyle is normal, so last two years it is not possible to the pandemic time and really lifestyle has been changed. So, naturally in this scenario Berger paint I thank to all our persons, I thank to our Company, valuable and efficiency ability chairman person and I thank to Director Finance, I thank to Company secretarial department- Aurinito Ganguly and Mr. Dey and all other teams and lastly I have one request sir, long time has been passed, we are enjoying, in fact our servicing, your business profile, your achievement, your sincerity, ability, efficiency are very dynamic, old is gold person, so naturally one thing, as a minority shareholder we are requested to you, our share prices to touch up our expected rate at present scenario, the market price but sir one request as a minority shareholder our request is, it is long time no issue your light on bonus at par, so sir it is my opinion to take decision on the board, sir actually you have huge reserves at your capital, so our request is to issue at least 1:1 bonus you issue this year it is pandemic times, it is one of the golden milestone, is really putting the Berger paint history, so sir briefly our speech is longer, many speakers are attending the speaking lines, so I thank our Company chairman, thanks to our all the Board of Directors and all members I thank. And last, I personally felicitate our Company's secretary Mr. Ganguly and Mr. Dey and others all members who are connecting the Chorus video conference arranging this person. Thank you, chairman sir.

Moderator: Thank you. Our next shareholder is Gautam Nandi. You may go ahead please.

Gautam Nandi: Respected Chairman, Board of Directors, and my online fellow shareholders, myself Gautam Nandi of Kolkata, a very old equity shareholder of the Company. Sir, firstly I would like to give thanks to your Secretarial department for sending me the Annual Report and other necessary relevant papers through email well in advance. So, special thanks to our respected Company Secretary, Mr. Aurinito Ganguly very sober, well-behaved, and most dynamic person and his whole team for remembering, very good services to our minority shareholders. Sir, you are organizing your Annual General Meeting through video conference for the second time and I find it is a grand success. So, thanks again, Sir. My earlier speakers already explained their views and covered most of the point regarding your account and performance of the Company, that all, I do not like to repeat it. Sir, a few years back, we had faced two big giants: GST and demonetization. Sir, before the impact of these two could end, we were attacked by the first phase of COVID-19 last year and this year, the second phase. The third phase of COVID-19 is knocking on the door, each and every Company is suffering very much but I am very glad to see that despite a tough Pandemic and most challenging year, you are doing very good, your performance is very good. I must appreciate it, sir. Your market share has also been increased; we must appreciate. We are very proud to see, you always take care of our minority shareholders. Not only your performance, even your behavior is also very good. Leaving apart the last two-three years because Pandemic is going on, but before that when I had visited your office, about the plant next step or for any other reason, or regarding logins, so that time everyone's behavior was so good, your employees' behavior is so good I do not have words to express. I know Mr. Rajeev Dey from a very long time, we stay in the same community, we stay in the same



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neighborhood. He is anyways too good, apart from him also, all your employees are of such a good behavior that when I speak to them, I feel that I am talking to someone in my family, not to a Company person. So, I marked, give my heartiest thanks to each and every employee of your Company for their good gesture, good behavior, and good hospitality. I am very satisfied with your product which is very reasonably priced and high quality. Sir, I have a request; if you issue 30% discount coupon to us then it will be very nice because every shoe Company, every hotel Company, all the big companies that are there, who have their own products, they are distributing 30%, 25%, 20% discount coupons to their minority shareholders, I also request you to distribute the same. If situations permits, please consider that. I am very proud to be a shareholder of your Company and I am very hopeful towards the prospect of our Company. I am full trust with our so management Sir like you and so I wholeheartedly support your all resolutions, which I have already casted through e-voting. Sir, I am very happy with your Company, I got a huge price appreciation in your Company shares. Thank you very much Sir, nothing more to say today. Time is very precious, looking forward with a positive outlook towards our Company with higher profit margins and some dividends and returns. May god bless you sir. Stay safe, stay healthy. Thank you very much, sir.

Management: Thank you.

Moderator: Thank you. Our next shareholder is Abhirup Nandi. You may go ahead please.

Abhirup Nandi: Good afternoon to everyone, our key managerial personal, other directors and attending members, I am Abhirup Nandi, equity shareholder from Kolkata. Firstly, a great admirable Annual Report, very colorful, very informative. Everything has been perfect with the Annual Report. So, we basically do not have additional questions related to that.

Now coming to the financial part, very good growth structure that has been created, even in the tough times we are going good. So, now, in spite of the economic conditions being a little unstable, the Company is still doing good. So, we have huge more expectations with the Company when the economic conditions will be much better, the expectations are basically growing with growing days, so very confident with this management. Adaptability is the key to success, you have been making adaptable products whichever sector is growing, you are adapting with that sector, so really appreciate that Sir, this is remarkable. And liquidity position has been very strong, a strong cashflow, product portfolio is also good, excellent corporate governance I must say, compliances have been done very timely by Aurinito Ganguly Sir, so I really appreciate that. This is the 97th AGM, so we must plan for the 100th AGM which should be, which the shareholders should have something special, that you should all plan. We will have the expectation that the 100th AGM will be something special like bonus or something like that. Sir nicely arranged transparent and fair AGM. Whoever had problems joining the AGM, the Chorus call has arranged alternative ways, so I really liked that and that is all Sir. I think very confident with this management, wishing everyone a good health and prosperity, I must say I



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am really proud, I feel very proud to say that I am a Berger shareholder, so this is a big thing. It is a very proud thing, that is all Sir. This is Abhirup Nandi, signing off.

Management: Thank you.

Moderator: Thank you. That was the last shareholder in queue, over to you, Sir.

Management: Thank you. I will now request Mr. Abhijit Roy, Managing Director and CEO to respond to the shareholders.

Abhijit Roy: Thank you Sir. Good afternoon and a very warm welcome to all the shareholders who have come in today on this e-meeting.

Let me first begin my saying that you know the past year was a very tough year and we have been facing these situations for the last three to four years now. There was, someone mentioned about de-monetization, followed by GST implementation, then we had the Pandemic wave number 1 and now this year we had wave number 2. So, something or the other has been disrupting the normal business scenario and from the Pandemic which was the most serious of them all, we had a lot of learnings which we would like to share some of those, which we picked up and that is what someone, Mr. Tamal asked for it, as to what was the learnings and what did we really do. So, we began the year on a very bad note you know, obviously April was closed completely and the sales collapsed and we had a quarter 1 which was at -48%, which was the worst de-growth that we have seen in the history of Berger possibly. And then we ended the quarter 4 with the best performance ever with a (+53%) or are neutralizing the de-growth completely and managing to grow at the end of the year. So, there were many learnings out of these. A few of them and the key ones are what I would like to highlight. First of all, taking care of all the stakeholders involved in the business which begins with the employees first and then subsequently the dealers and the painters who are very closely related to us. On the employee front, we took many calls. First of all, we announced that there will be no retrenchment, so that people were at ease about their employment issue. No reduction in salary either so that they can concentrate on the positive task of growing revenue and growing profit. This is something which we implemented very strictly and then we also honored all offers made in campuses whether it was management trainees or sales officers' trainees, we stuck to it and honored all the promises made. Subsequently, if you look at what did we do, we covered all the employees with insurance, medical facilities, so that in case they fell ill, we were able to take care. Personally, people were involved from head office, in fact Chairman himself was taking great interest in the well-being of the employees, which I must thank him for that, including my own family fell ill and then had to suffer. So, these were things which were very well appreciated and the employees therefore were at ease. The second part of it was related to vaccination, someone raised the issue whether we are vaccinated, almost all 90%+ employees have already been vaccinated including all our workers in factories, which we have specifically taken care of. There are a few left because of their own reasons and which we hope that they will also be getting completely vaccinated. Even



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the painters, who are an important part of it, the entire express painting painter lot has been vaccinated by us, so that the consumers can feel at ease while bringing in these painters. So, that is something which we have done, gone ahead, and done that. Also, at the time of the first wave, we had this problem, of the painters not having enough money, we actually got all their accounts done on and sent by e-money transfer, the money that was due to these people so that they could survive at the time of, so in terms of the transfer of money which we did to the painters which helped them to actually sustain in these very tough times. The dealers were well educated about the precautions that they need to take for being safe. So, this helped us to actually tide over this very tough situation.

We also innovated quite a lot, came out with products like the Silk BreatheEasy which is an anti-bacterial, anti-covid virus paint, we launched the series of FMCG products like BreatheEasy, sanitizers, etc. We also made our Safe Express Painting very safe, so these were products which we thought that we need to innovate much faster than the normal situations demand and this also helped us.

The third thing which was learning was the cost control, which is ongoing but at this point of time, we need it to control much more, on the rent side, on the travelling of course which collapsed quite a lot, then we had to negotiate with the raw material vendors to bring down the cost substantially. So, all these, some of which will linger on and will stay with the Company in terms of advantages and therefore we always looked at the positive side of it, instead of getting bogged down with the problems, we were always thinking how to improve the profit, how to improve the sales, instead of getting worried about the problem at hand and then the people falling ill.

So, this is what we did, you know the attitude which was very important, the shift of the mindset from getting worried about the job, about my salaries, about my health and onto more positive things of life, of actually looking at the business and how to grow the business, how to increase the revenue and how to improve the profit. So, these were the learnings which will stand in good state in tough times or in good times. The future looks you know quite well I think this year, first quarter of course is an aberration, the results optically look great but if you look at it, the fact that last year April was zero, it is a normal growth which was expected but the second quarter, looks good now, April we did fairly well, even against last-to-last year. June also we had a very good growth even against last-to-last year, it was May where we had declined, July again we bounced back to growth level, August also as things stand now looks good, so overall the situation seems to be improving gradually and overall demand scenario looks healthy, I think it will improve in the 3rd quarter we should have a strong demand, the bases are very strong in the 3rd and 4th quarter. Growth rates will not be in a very high levels but we will still be able to grow at a reasonable pace and the profitability which was a bit compressed if you had seen in the gross margin had got decreased in the first quarter because of the escalating RM prices, we took a series of price increases, both on the decorative and industrial side, still the last one which is coming into effect from 1st of September, so in the quarter 2 there will be some pressure but Q3



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and Q4 we would have recovered almost everything which was coming in, in terms of a hit, as far as the RM pricing pieces are concerned. So, profitability will get restored to normal levels in quarter 3 and quarter 4.

So, this is as far as the past and the future is concerned and some of the specific questions which were asked, one was related to the CSR expense, what is this Rs. 6.84 crore and where is it being spent actually, and this administrative expense what does it mean? Much of it, we have a large number of centers, 26 of them fixed centers, many of them we pay rent for the premises. Second, is that there are a lot of employees who give training to these painting contractors and painters, our entire CSR focus has been to train painters to become entrepreneurs by themselves. We need a large number of painters in this country, the paint consumption is going up but the painter numbers are not going up in equal proportion. It is our responsibility therefore to train people, not only does it help the painters to become more skilled, it also enables a lot of painters to become employers for smaller painters as well. So, therefore we help them as much as possible to become small time contractors, they can employ another 4-5-6 painters under them and grow the business, so this is one area in which we are focused, we also do a lot of CSR activity around our factories, taking care of the schools, of our workers, providing books, watercoolers, etc. taking care of the painting of the schools, the roads around our factories, so this is something which we keep doing.

The third in the pandemic period, we did provided a lot of support to the government, we introduced the sanitizers, we gave much of it, it is free cost to some of these requirements of the government, also we gave oxygen generators basically. In Andhra Pradesh we gave one, in West Bengal we gave one more, which was quite expensive but since there was this crisis of oxygen, we thought that we should also contribute as much as possible to the states where we are present significantly, so this is where we spent most of our money as the CSR is concerned. On the supply chain and the CAPEX side, we did spend about Rs. 216 crore odd as Mr. Kamal mentioned, that was primarily for the Jejuri plant. The Jejuri plant, all the permissions are more or less in place now, we are waiting for the last permission, which we expect to get by the end of this month or early next month, once we get that we will start producing at full scale at our Jejuri plant, both automotive, general industries, good coatings, and also protective coatings. So, this is what is the plan, as far as the Lucknow plant is concerned, we had envisaged that it will start operations around February-March, it will probably get delayed by a month or two, primarily because of the pandemic when we could not work in Lucknow at that side for some days and it delayed therefore the accumulation of the workers was becoming difficult but now it is going on in full stream. L&T is the contractor which is working and Kirby is the fabricator, so it is all under control more or less on stream, we are expecting that between April and May we will be able to kickstart the factory there. As we have scaled up, the initial plan was to spend about Rs. 600 crore odd, you have to scale it up to Rs. 800 crore because the demand someone asked about the utilization percentage, it is in high 80's now and in the season time it becomes little bit of an issue, so we had to scale up our plans in this factory, to enable us to be able to supply in time. We have also initiated a very interesting software update at our site, we had O9



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software installed, it is world class and it will help us to supply more accurately, reduce the slow and non-moving stock and improve our serviceability in the marketplace.

On the energy front, the greening of it and reducing carbon foot print, in fact in the annual report we have this time come out with the ESG report of our own for the first time, we are taking it up very seriously, almost all our plants now have solar plants, except for two where we are also testing whether the roof can take the load or not, but otherwise we have the solar power plant installed across all factories. We also initiated the bio-briquette which is a substitution of diesel based power for our resin plants with more ecofriendly bio-briquettes which are available locally and that also results in conservation of cost and energy and at the same time reduction of carbon footprint, so this also has been implemented across almost all our factories now, wherever these resins are produced, except for one in Howrah, where due to safety reasons we have not done it but there also we are going to shift the resin plant now to Panagarh and at that point of time we will put up the bio-briquette there. Also in terms of water harvesting you know rainwater harvesting is there across all our plants, we take care of that, in fact we are further strengthening this area, so that we actually become water positive instead of the consumer of water. So, this is as far as the energy side is concerned, of course we keep working on reducing energy consumption and over the last two years we have reduced by 28% our energy bills which is a huge effort that we have put in to try and conserve as much energy as possible.

As far as the other questions were concerned, there were two questions which were coming up from various; why is the sub-contracting payout so large, nothing to get worried about, it is basically we got one project, in Andhra Pradesh for Andhra Pradesh School project, along with that we had some supply-apply contracts of protective coatings, as per accounting rules these days, you have to, earlier days we used to take only the paint sale into account but now as per new rules, you have to take the supply-apply total value as revenue and then offset it against the subcontracting charges, which is why because of this huge order that we got in supply-apply in Andhra Pradesh school project, this sub-contracting amount increased. So, this is a one-off and it will decrease, unless we get equivalent levels of orders for supply-apply from some other place. As far as construction chemical is concerned, someone asked that question, how did we perform in quarter 1 and what is the outlook like, I think we did very well in quarter 1 and in fact you know the growth rate was much higher than the regular paint business also in construction chemicals in Q1, we have another subsidiary Company called STP, which also does some business on this side of construction chemical, between the two Berger and STP, we are a very strong player now in India and we hope that we will be in the top three in the country very soon. And considering the fact that we just started three years back, we are scaling up very rapidly in this area and we see a lot of scope for further growth in the construction chemical space. We have a lot of strength in this area, we have the protective coatings division where we are a leader in India and in decorative, we have a project division, these two divisions will be utilized by us for the sale of construction chemicals products and therefore our ability to scale up will be much faster than the most other companies in India. So, this is something which we



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are looking at very actively and we are very hopeful and as I mentioned we will be in the top 3 very soon.

Other than that, there were some questions regarding why have we Lusako trading, why have we invested and are the subsidiaries doing well or not, I would assure the shareholders that all our subsidiaries are doing well, the dividend fluctuations that you saw, one was the reduction in dividend was because we had taken from Nepal one amount of dividend, which was an accumulated amount lying for the last 10-12 years, obviously we had not taken any dividend from Nepal till that point of time, thinking that it might be utilized for CAPEX expenses there, then we realized that, that is not going to happen and not needed immediately, we decided, to take that as a dividend for ourselves and therefore that was a one-time thing, next time onwards obviously you cannot expect that, that amount of money will be transferred but they will keep transferring, they continue to grow, they are healthy and they are on a growth path.

As far as the Bolix, the Lusako amount is concerned that is not funding them, basically there was a debt lying in our books, which we had borrowed at that point of time to acquire this Company, in excess of about Rs 100 crore, since we had spare cash with us, we decided to negate this amount, that is give back and remove the loan from our heads and that is why you are seeing Lusako investment there, which is basically to pay off the loan that was outstanding in our names, now we have reduced it from our Rs. 200+ crore to less than Rs. 100 crore and we would like to make it 0 very soon. So, this is why you saw this investment from our side, so nothing to get very worried on the performance of the subsidiaries, in fact Bolix is doing quite well, they are growing well and continue to deliver on both on the revenue and the profit front. So, all our subsidiaries, in fact Sabu coatings growing very well, very profitable, STP improving on their profit, growing revenue quite well, Nepal doing well, Bolix doing well, it is only the Russian operation which is the area of concern, it is a small operation, rightly pointed out that it need some amount of thought, so we have now put it under the Bolix management and we are expecting that because of the synergy of the business and R&D efforts between Bolix and Russia, we will see much better results from the Russian operations also.

So, that is all, I think I have answered most of the questions that were raised, in case I have missed one or two, you will have to excuse me, because I did try to write down everything, whatever possible that I could answer, I have answered. Thank you very much once again for coming and attending this meet. And from my side please stay healthy and stay safe. Thank you.

Moderator: Thank you Sir.

Kuldip Singh Dhingra: Ladies and gentlemen, the agenda items have already been put to vote by remote e-voting and now being put for voting electronically during the meeting. I would like to inform you, that pursuant to the provisions of the Companies Act 2013 and the SEBI listing obligation and disclosure requirements, Regulation 2015, the Company had provided remote e-voting facility to all its members through NSDL in respect of each of the businesses contained in the notice



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convening the meeting. Such remote e-voting opened on Tuesday, 24th August 2021 at 9 am and concluded on Thursday, 26th August 2021 at 5 pm. Members present at this Annual General Meeting who have not cast their votes through remote e-voting, may avail the facility of e-voting during this meeting. The guidelines to vote during the Annual General Meeting has been mentioned in the notice of the meeting. The result of the e-voting during this Annual General Meeting along with the results of the remote e-voting will be scrutinized and a consolidated result will be declared subsequently, please refer to the notice for the same. Ladies and gentlemen, this concludes the transactions of business mentioned in the notice convening the 97th Annual General Meeting of Berger Paints India Limited. I now request the e-voting to take place, please note that the e-voting can be done by another fifteen minutes from the conclusion of this meeting. I thank you all once again and wish you and your family good health and prosperity. Stay healthy and stay safe. Thank you.