



INDO COUNT INDUSTRIES LIMITED

TRANSCRIPT OF THE 31ST ANNUAL GENERAL MEETING

Day : **Thursday**
Date/ Time : **30th July, 2020/ 12:30 PM (IST)**
Mode : **Through Video-conferencing facility of NSDL platform**

12.30 PM – Mrs. Amruta Avasare – Company Secretary

Good Afternoon everyone. I, Amruta Avasare, Company Secretary, attending this AGM from Mumbai office, request Chairman to start with welcome address. Over to you Chairman.... Sir.

Mr. Anil Kumar Jain – Chairman

Good Afternoon to all shareholders. Trust all of you are safe and taking care of yourself and your family. It is a pleasure to connect with all of you again, although this time we meet virtually.

Myself, Mr. Anil Jain, Executive Chairman attending from my residence at Bombay.

I welcome all of you to the 31st AGM of the Company. It is 12.30 p.m. and requisite quorum for the meeting is present. I call the meeting to order.

Due to continuing COVID-19 Pandemic and adhering social distancing norms, this AGM is being held for the first time through Video Conferencing in accordance with the circulars of MCA and SEBI. Participation of members through video conferencing will be counted for the purpose of the quorum as per the said circulars.

Before we start with the main proceedings of the Meeting, I welcome all Directors present for this AGM.
Mr. Dilip Thakkar

Mr. Dilip J. Thakkar - I am Independent Director of Indo Count Industries Ltd and I am also the Chairman of Audit Committee of the Company. Thank You.

Mr. Anil Kumar Jain - Chairman - Mr. Prem Malik

Mr. Prem Malik - I am Prem Malik. I am Independent Director of Indo Count Industries Limited and I am also the Chairman of Nomination and Remuneration Committee. Thank you very much.

Mr. Anil Kumar Jain – Chairman - Dr. (Mrs.) Vijayanti Pandit

Dr. (Mrs.) Vijayanti Pandit - I am Dr. Vijayanti Pandit and I am Independent Director of Indo Count Industries Limited and I am also the Chairperson of Corporate Social Responsibility Committee and Stakeholders' Relationship Committee. Thank you

Mr. Anil Kumar Jain - Chairman - Mr. Siddharth Mehta-

Mr. Siddharth Mehta – Hi, Good afternoon Shareholders. I am Siddharth Mehta, an Independent Director on the Board of Indo Count Industries Limited.



Mr. Anil Kumar Jain - Chairman - Mr. Kailash Lalpuria-

Mr. Kailash Lalpuria – Hello Shareholders, I am executive director and CEO of Indo Count Industries Ltd. I am attending this meeting from my home. All are welcome.

Mr. Anil Kumar Jain - Chairman - Mr. Kamal Mitra

Mr. Kamal Mitra – This is Kamal Mitra. I am Director of Indo Count Industries Ltd. I am attending the 31st Annual General Meeting from Kolhapur from the Factory office. Thank You.

Mr. Anil Kumar Jain - Chairman - Mr. Mohit Jain

Mr. Mohit Jain – Good afternoon everyone. My name is Mohit Jain, I am the Executive Vice-Chairman of Indo Count. I am attending this meeting from my residence in Mumbai. Welcome to everyone.

Amruta Avasare - Dr. Sanjay Kumar Panda -

Mr. Anil Kumar Jain - Chairman – Sanjay Kumar Panda

Dr. Sanjay Kumar Panda - I am Dr. Sanjay Kumar Panda, Independent Director of Indo Count Industries Ltd. Good afternoon to you all.

Mr. Anil Kumar Jain-

I would also like to inform you that Mr. K. Muralidharan, CFO and Mrs. Amruta Avasare, Company Secretary are also attending the meeting.

Mr. Anil Kumar Jain - Chairman – Mr. Muralidharan, Is Mr. Muralidharan there in the Meeting ? Hello ? Is he Mute or ?

Amruta Avasare - Sir we can move ahead.(Mr. K. Muralidharan was present but was not audible)

Mr. Anil Kumar Jain - Chairman – Ok.

The representative of M/s. Suresh Kumar Mittal & Co., Statutory Auditors and Mr. Vikas Chomal, Scrutinizer are also attending this meeting.

I now request the Company Secretary to provide general guidance for the members regarding participation and voting in this meeting. Over to the Secretary.

Mrs. Amruta Avasare

Thank you Sir. Members may note that this AGM is being held through video conferencing in accordance with the applicable circulars issued by MCA and SEBI. The Company has complied with all provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable circulars of MCA & SEBI in holding this AGM through VC. The AGM is being conducted through the platform provided by NSDL. The facility of joining this meeting through video conferencing is available to the members on first come first serve basis. All members who have joined this meeting are placed on mute by Host to avoid background disturbances and for seamless participation.

Members may also please note that the company had provided remote e-voting facility to all members through NSDL platform. The e-voting facility was available from 9.00 a.m. (IST) Monday, July 27, 2020 to 5.00 p.m. (IST), Wednesday, July 29, 2020. Members who have not casted their vote electronically and



who are participating in this meeting have an opportunity to cast their vote during this meeting through e-voting system provided by NSDL. Members are requested to refer notice of AGM for e-voting details.

Mr. Vikas Chomal, Practicing Company Secretary is the scrutinizer for the e-voting process and e-voting at AGM. The combined result of remote e-voting & e-voting at the AGM along with the scrutinizers report will be uploaded on the website of the Company as well as on the website of NSDL and Stock Exchanges within 48 hours from the conclusion of the AGM.

The Company has received requests from few members to register them as speakers for the questions at the meeting. Accordingly, the floor will be open to ask questions and express their views. The moderator will facilitate the session once the Chairman opens the floor for questions and answers.

Over to you Sir, Chairman

Mr. Anil Kumar Jain - Chairman

As the notice dated 12th June, 2020 convening the 31st Annual general Meeting of your Company is already circulated to all the members, I take the Notice as read.

I wish to inform you that the Statutory Auditors and Secretarial Auditors have not made any qualifications, reservations, adverse remark and disclaimer in the Audit Report for year ended 31st March, 2020, Hence, I, take the Reports as read.

Though you must have read Chairman's message forming part of Annual Report, I would like to give brief highlights of performance of your Company and future outlook.

My Dear Shareholders Family,

The entire world is facing passing through testing times and uncertainties posed by COVID-19 Pandemic. However, Our value driven culture, flexible business model, team expertise, prudent financial management and focus on sustainability will continue to help us in delivering long term value to stakeholders.

Despite challenging business environment, I am pleased to inform you that the year 2019-20 concluded on a good note. Your Company recorded one of the highest turnover and 7% volume growth.

The consolidated revenue from operations registered growth of 10% while EBIDTA was higher by 43%. Our net debt equity ratio has also improved from 0.31 to 0.20.

The board has recommended dividend of 30% per equity share of Rs. 2/- each, subject to your approval. I would now like to touch upon the global context:

In March 2020, COVID-19 pandemic turned into global crisis leading to lockdowns worldwide. Our focus was shifted to ensuring health, safety and wellness of our employees, workers and stakeholders. We resumed our partial operations after a temporary shut-down of around 30 days and continued to respond to this situation with our commitment and focus to serve our customers in efficient, effective and sustainable manner.

The liquid balance sheet has kept us in stable position to navigate through these challenging times. We have been able to comfortably service our existing debt without any moratorium. After lockdown of more than 3 months worldwide, slowly and steadily markets have started re-opening. As we have move ahead, our value system will further build our reliability and Sustainability.



Today, sustainability is an important necessity globally. At Indo Count, some of the sustainable initiatives undertaken are GAGAN, GIGATON, HIGG INDEX, Made in Green, ETP, Solar power. All these initiatives will create value for our customers and society. During the year, CSR focus areas was continued to be Healthcare and Education. Our medical vans attend to more than 100 villages around rural area of Kolhapur addressing health needs of almost 3,00,000 villagers. The e-learning projects implemented in 100 plus schools and benefiting to more than 50,000 students annually. The GAGAN project, a sustainable cotton initiative benefit to more than 1,500 farmers across 10 villages.

Your Company has been always contributing towards support of any natural disaster such as flood and Pandemic.

COVID-19 has changed lot of things worldwide and all around us. The Indian home textile manufacturers are expected to gain momentum in the present situation as an alternate source of supply. India is well positioned with competitive advantages resulting from abundant availability of raw materials and skilled manpower. We are quite optimistic to see opportunities generating in the near future. The market requirement and consumer mindset may not be the same, post easing of pandemic.

We are continuously studying the customer needs, overall markets, Our approach will be centered around:

- safety of our employees
- continuous support to our customers

We are also focusing on e-commerce, digital marketing, developing health and hygiene textile products with other innovative ways to reach out to our customers.

With a diverse portfolio, financial prudence, robust governance along with aspiring innovations, we are well placed to address all challenges and capture opportunities.

I appreciate the entire Indo Count team for the contribution, dedication and commitment shown by them. I thank all my fellow directors on Board for the valuable guidance provided by them. I thank all members, our customers, vendors, bankers, Central and State Government and all other stakeholders for their confidence, trust and support.

If any member desires to ask question pertaining to any item in the notice, they can ask now. The questions should be brief and specific.

Amruta Avasare – Thank You sir. We are now taking the speakers. The 1st Speaker shareholder is Mr. Abhijit Patil. Moderator, request you to take Mr. Abhijit Patil.

Moderator – Mr. Abhijit Patil you have been unmuted and placed into the conference. Kindly on your video and ask your question.

Speaker Shareholder 1 (Abhijit Patil) – Abhijit here. Am I audible ? Good afternoon all.

Amruta Avasare – Ask your question.



Speaker Shareholder (Abhijit Patil) – My Folio No. is 0087963. I am holding 5 shares in Indo Count Industries Limited. I would like to know about Indian Domestic business of boutique living and impact of Covid-19 on the said business.

Amruta Avasare – I request, Mr. Lalpuria Sir, Our Executive Director and CEO to give answer of the same.

Mr. Kailash Lalpuria – We have promoting this brand from last 2 years and we have already reached 500 touch point. Their brand is between mid to high segment. And we are continuously focusing on increasing our presence in the domestic market. Post Covid also we will make all round efforts to see how we can increase our presence in the domestic market and we have made all necessary facilities available to our team in order to grow this business.

Amruta Avasare – I am now taking the next speaker. Mr. Vijay Oswal. Moderator request you to take Mr. Vijay Oswal.

Moderator – Mr. Vijay Oswal you have been unmuted and placed into the conference. Kindly on your video and ask your question.

Speaker Shareholder 2 (Vijay Oswal) – Hello ?

Amruta Avasare – Yes. Mr. Oswal you can go ahead.

Speaker Shareholder 2 (Vijay Oswal) – Yes. What is the international prices of cotton and what is the effect of its on our Company's margin ? This is my first question and second question is We are expanding another building. Is expansion has completed or not completed yet ?

Amruta Avasare - I request, Mr. Lalpuria Sir to answer the question

Mr. Kailash Lalpuria – The international market prices in quarter are at low end. Because of Covid situation, consumption has decreased and even in India, prices has decreased substantially but we are waiting for the prices to stabilize as we are expecting the new season to start from October, November, currently they are at low end which is going to help the Company on your 2nd question, Yes, we have completed the building and our necessary CapEx.

Amruta Avasare – I would now like to take the 3rd speaker shareholder, Mr. Nandu Oswal, Kesarimal Oswal

Moderator – Ms. Manisha Oswal you have been unmuted and placed into the conference. Kindly on your video and ask your question.

Speaker Shareholder 3 (Manisha Oswal) – Hello, so this question is basically related to opportunities opened due to pandemic, so what opportunities do you see for textile industry ? Like what benefits will be available to our Company due to Indo US trade pack which was announced recently ?



Amruta Avasare – Mr. Lalpuria sir you can reply to the questions asked by Ms. Manisha Oswal.

Mr. Kailash Lalpuria - Yeah. The pandemic there is an impact on the business for a short term and medium term but as our stores are opening, we believe that the demand should increase and US being our largest partner in textile, we hope that India would sign FTA with them providing the tariff advantage as what is being provided to other countries, so we hope that this FTA and trade pack with India will immensely help Companies like us and we grow our business thereon. So definitely, post Covid as your Company is having capital adequacy, a good customer base and strong product portfolio, we presume that we will be further able to grow our business both in US and to other new markets post Covid.

Amruta Avasare – Thank you sir. There are no other speaker shareholders and question-answer session is over. I now read the resolutions which are included in the Notice of the AGM.

ITEM NO. 1

To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Auditors thereon.

ITEM NO. 2

To declare Final Dividend of Re. 0.60/- per Equity Share of face value of Rs. 2/- each for the Financial Year ended March 31, 2020.

ITEM NO. 3

To appoint a Director in place of Mr. Kailash R. Lalpuria (DIN: 00059758), who retires by rotation and being eligible, offers himself for the re-appointment.

All the above resolutions set forth in the meeting shall be deemed to have been passed at the meeting subject to receipt of requisite number of votes.

Over to your Sir Chairman.

Mr. Anil Kumar Jain - Chairman

I thank the shareholders who have joined this meeting.

There being no other agenda item, I close the proceedings of the meeting. The e-voting facility will remain open for next 15 minutes from close of meeting. I authorize Company Secretary to complete necessary formalities in this regard.

Stay safe, healthy and take care.



Thank you, Anil Jain.

Over to Company Secretary.

Amruta Avasare – Thank you sir. I request, Dr. (Mrs.) Vijayanti Pandit, Independent Director to give vote of thanks.

Dr. (Mrs.) Vijayanti Pandit – On behalf of all the directors present and shareholders, I would like to thank our Chairman Mr. Anil Kumar Jain for his leadership and guidance to the Company and I would request chairman to give us permission to be excused from this Annual General Meeting, so that the e-voting will continue.

Thank you very much. Thank you all the shareholders. Thank you Mr. Chairman. Thank you our executive directors, Vice-chairman and all the members of the Board. Thank you very much.

Amruta Avasare – The e-voting facility is open for 15 minutes. Those members who have not casted their votes electronically through remote e-voting, then they can cast their votes now in next 15 minutes by following the same procedure.

01.00 p.m. (IST) Time clock started for e-voting for 15 minutes.

Amruta Avasare - All the directors can leave the meeting.

Mr. Anil Kumar Jain - Chairman – Thank you.

After 15 minutes at 1.15 p.m. (IST) - **Amruta Avasare** – The e-voting during the AGM is over and the meeting stands concluded.

Thank You